

The Commonwealth of Massachusetts
Massachusetts Gaming Commission

Meeting Minutes

Date: November 27, 2012

Time: 1:00 p.m.

Place: Division of Insurance
1000 Washington Street
1st Floor, Meeting Room 1-E
Boston, Massachusetts

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

Absent: None

Call to Order:

Chairman Crosby opened the 37th public meeting.

Approval of Minutes:

See transcript pages 2-3.

Chairman Crosby stated that the minutes of November 13 are ready for approval. Commissioner Stebbins recommended one revision to the spelling of a name.

*Motion made by Commissioner McHugh to approve the minutes of November 13 as amended.
Motion seconded by Commissioner Cameron. The motion passed unanimously by a 5-0-0 vote.*

Project Work Plan:

See transcript pages 3-19.

Scope of Licensing and RFA-1 Status Report – Chairman Crosby stated that the Commission is in the process of accepting background information from potential licensees. Commissioner Cameron stated that the IEB has taken all the requests for waivers and is putting a policy in place to secure the documents. She introduced Lt. Brian Connors and Lt. Kevin Condon from the Massachusetts State Police. The State Police assigned Lts. Connors and Condon to the Commission as investigators. Chairman Crosby stated that the Commission allocated nine

months for completion of the investigations because the background check process is the single most time-consuming part of the entire process. He stated that the developers can help the process by submitting the information quickly and cleanly and not debating who should be qualified.

Commissioner Cameron stated that the Commission should discuss focusing investigative resources on the slots license initially. Commissioner McHugh stated that the Commission can discuss this question in the context of the key policy questions discussion in a couple of weeks, and the Commission should consider this question very carefully. Chairman Crosby stated that this policy question should be moved up in priority due to its effect on the investigations.

Chairman Crosby stated that the Commission is pleased that there appears to be more competition in western and eastern Massachusetts which is exciting and good for the Commonwealth.

Key Policy Questions Status Report – Chairman Crosby stated that the comment period closes today and the Commission will be meeting the week of December 10 to discuss the policy questions. He stated that the public has submitted comments since the last meeting, but has not submitted additional questions.

Commissioner Cameron stated that the Commission is in the process of working on document security, including a secure portal to transport confidential information and hardening a room with a keypad and safe to store the investigative materials. The State Police will be handling these security measures for the Commission.

Administration:

See transcript pages 19-39.

Report from Director of Administration – Chairman Crosby stated that the Commission has been building a project management chart to provide the tools to understand what has to be done, when it has to be done, and how everything interrelates. Using a projected image he provided an overview of the chart. He stated that every Monday morning the Commission reviews this chart to determine if the projects are on track or if there are issues that need to be addressed. Commissioner McHugh stated that it would be helpful to review the project management chart at the weekly Commission meetings.

Director Glovsky stated that the Commission has been putting a lot of energy toward personnel issues. She is working with Director Durenberger and all the Racing Division positions have been posted. She stated that Artem Shtatnov has started working with the Commission this week.. Commissioner McHugh stated that Mr. Shtatnov in two days will be a newly admitted lawyer in Massachusetts. Mr. Shtatnov is a recent graduate of Boston University Law School and will be working with the Commission for a year as part of a Boston University fellowship program.

Director Glovsky announced that the Commission has selected Catuogno and Sten-Tel Reporters, Inc. and Copley Court Reporting as a prequalified group of vendors to provide stenographic services for the Commission. She stated that she will prepare a memorandum and asked that the Commission vote next week to approve this selection. Commissioner McHugh asked if each service had the capability of producing draft meeting minutes. Director Glovsky stated that the creation of summarized minutes was included as one of the requirements of the procurement.

Commissioner Zuniga recommended that the Commission approve the second amendment of the contract with outside counsel. He stated that the prior contract expired November 15 and Commissioner McHugh has provided an amendment as described in a memorandum provided to the Commission. Commissioner McHugh stated that Anderson and Kreiger has worked extremely well with the outside consultants and it has an expertise in the regulatory process that will continue to be helpful to the Commission.

Motion made by Commissioner Zuniga that the Commission approve the second amendment of the contract with Anderson and Kreiger to continue the services of outside counsel. The amendment is for an additional \$200,000 and the proposed term is extended from November 15, 2012 to November 15, 2013. Motion seconded by Commissioner McHugh. The motion passed unanimously by a 5-0-0 vote.

Personnel Searches – Commissioner Stebbins stated that he has provided the Commission with a draft job description for a position entitled Director of Gaming Workforce and Supplier Development and Diversity Initiative. Chairman Crosby recommended that the Commission post this position as soon as possible. Commissioner Stebbins recommended that the Commission keep the posting open until the 10th or 15th of January to avoid a deadline falling in the holiday period.

Update on Space – Chief of Staff Reilly stated that the Commission is discussing with the landlord the possibility of extending the lease in the Commission's current space and leasing additional space within the building. She stated that the Commission's goal is to have additional space by January 15, 2013. The long-range goal will be to issue an RFP in January of 2014 for a new permanent space for the Commission, as the present space will not accommodate their needs going forward.

Employee Manual, Chapters 1 and 3 – Commissioner Zuniga stated that he has provided the Commission with the latest draft of Chapters 1 and 3 and is recommending them for approval.

Motion made by Commissioner Zuniga that the Commission adopt Chapters 1 and 3 of the Employee Handbook as submitted and presented. Motion seconded by Commissioner Stebbins. The motion passed unanimously by a 5-0-0 vote.

Racing Division:

See transcript pages 39-54.

Report from Director of Racing Division – Commissioner Cameron stated that she is providing this report in Director Durenberger’s absence. She stated that the Commission held a meeting yesterday with key staff members at the equine drug testing laboratory in order to ensure all pending issues can be taken care of in a timely manner. She stated that the Commission has worked out all these issues and is in a position to close the lab.

Motion made by Commissioner Cameron that the Commission close the equine drug testing laboratory on December 31, 2012. Motion seconded by Commissioner McHugh. The motion passed unanimously by a 5-0-0 vote.

Commissioner Cameron introduced Doug O’Donnell, Transition Coordinator, who was present to provide a report on finances for the Racing Division. He provided the Commission with a flowchart showing the income and expenditures of the Racing Division, presented a detailed overview of the flowchart, and addressed any questions and concerns of the Commission.

Commissioner Cameron stated that the Racing Division jobs have been posted. The Commission will review resumes and she anticipates that the Division will be fully operational on January 1, 2013. She announced that Danielle Holmes, a new staff member, will also become a lawyer this week, and offered her congratulations.

Public Education and Information:

See transcript pages 54-128.

Report from the Ombudsman – Mr. Ziembra stated that over the last week he has continued his outreach activities. He has been in contact with the City of Everett and the City of Holyoke regarding potential applications for those cities. He stated that Wynn Resorts is in active conversations with the City of Everett. The City of Holyoke is in conversations with two potential applicants. He stated that in these conversations he stressed that it is the responsibility of the applicants and the host communities to try to engage surrounding communities. He stated that he has had conversations with several potential surrounding communities, stressing to them that the January 15 deadline should not be seen as the end of any process and there is no need to have a surrounding community mitigation agreement concluded by this date.

Mr. Ziembra stated that today is the deadline for comments on the policy questions. He stated that the Commission sent an advisory to the Legislature detailing the January 15 deadline and the Commission’s policy process. He continues to have active conversations with the regional planning agencies on how to engage them with the surrounding community process and on the advice they may be able to provide to host communities. He stated that he anticipates scheduling a joint meeting of the three impacted regional planning agencies within the next week or so to further discuss that possibility.

New England Problem Gambling Consortium Update – Commissioner McHugh attended this meeting, which is held twice a year for all the compulsive gambling groups in the New England

area, and provided an update. He stated that the New England Council recently hired an individual who will be creating a survey in Massachusetts to establish a baseline of compulsive gambling, and this information will be very useful to the Commission. He stated that the Council had received a number of requests from host and surrounding communities regarding what they could do to be prepared for what they anticipate will be an increase in problem gambling. The Council, as a result, has prepared a ten-point checklist to address these concerns. He stated that he informed the Council that the Commission contemplates hiring an individual for a high level position which will focus on compulsive gambling.

AIA Forum – Commissioner Stebbins stated that this forum is scheduled for December 12 from 8:00 a.m. to 12:00 p.m. and will be held at the BSA offices, 290 Congress Street. He anticipates that this will be a very interesting discussion.

Report from Director of Communications and Outreach – Director Driscoll stated that she will be meeting this week with the design team and anticipates getting a series of examples on what the new website, letterhead, business cards, and other collateral will look like. She stated that she has been sending out emails within the Commission to gather content for the website. She reported that the Commission has increased its following on social media and currently has more followers than any other hearing regulatory agency in the country.

A brief recess was taken.

Chairman Crosby reconvened the 37th meeting.

Discussion of Casino Training Institute MOU – Commissioner Stebbins stated that Bob LePage from the community colleges is present to answer any questions relative to the proposed MOU. Commissioner Stebbins stated that recent changes were made to the MOU and he provided the Commission with a revised copy and reviewed the changes that were made.

Commissioner McHugh stated that he would like to discuss the extent to which the Commission is going to promulgate regulations for training as opposed to licensure. He stated that casino operators will determine whether individuals have the ability, training, and skill necessary for gaming tables regardless of what the Commission does and the question becomes whether a licensure requirement that focuses both on background and training is overly complicated and unnecessary.

Mr. LePage stated that it was the Casino Career Training Institute's understanding that the Commission would be responsible for ensuring training and quality of training, as well as the curriculum, and would track in a database students who were trained and approved for gaming positions. He stated that ultimately the employability of an individual will be determined by casino operators.

Commissioner Cameron stated that she is not familiar with the model in which the state regulates positions like a dealer. She stated that she would like more information for requiring licensure on the front end, rather than the back end, which is the model she is familiar with. Mr. LePage

stated that one of the challenges they are facing is building a pool of employees today that will be available in three to four years when the casinos are in operation. Commissioner McHugh recommended rewording the MOU so it does not assume that the Commission will be responsible for the regulation and training.

Chairman Crosby asked for clarification on the definitions of certification and licensure in this document. Mr. LePage stated that certification means that an individual is certified to work in a casino environment. The individual would have to go through background checks required by the state, which would be the role of the Commission. He stated that licensure would be for those individuals who are certified, but are interested in a career in a specific occupation that requires additional training. Based on that training, the Commission would license individuals to provide that function within the casino environment. Commissioner Cameron expressed concern with a model that requires certification and then a license when many casinos provide their own training.

Mr. LePage stated that the Commission would assume the role of validating that an individual was trained and capable of performing a function. He questioned whether the Commission believes that such validation is part of the Commission's role under the legislation. Commissioner McHugh stated that this is a question that the Commission is wrestling with and it is critically important because it involves two vastly different models of regulation. He stated that he would be satisfied for today's purposes if this portion of the MOU is reworded so that the Commission makes finding the answer to this question part of the planning process. Chairman Crosby stated that he agrees with this recommendation. He stated that this is now a new key policy question and asked Commissioner Stebbins to take the lead on this question going forward.

Commissioner McHugh stated that he would like to state in the MOU that trade schools could be part of the consortium. He also recommended rewording the portion regarding the training of vendors to state that the Commonwealth has a role in the training, but would not be the sole source of training for vendors. Commissioner McHugh asked if the Commission had determined that financial background checks and drug testing would be done for all licensed jobs. Commissioner Cameron stated that the Commission has not made this determination. Commissioner McHugh recommended that financial background checks be removed from the MOU. Commissioner McHugh asked for clarification of language related to training requirements and certification for non-gaming jobs within a casino. Mr. LePage stated that the language related to jobs such as HVAC or electrical workers. Commissioner McHugh stated that it is not the Commission's role to get involved in training and certification requirements for these jobs and asked that this language be stricken from the MOU. Discussion was held on other wording and spelling changes within the document.

Motion made by Commissioner Zuniga to adopt and have the Chair enter into agreement with the Institute, subject to the edits as discussed here today, for the planning of a process for workforce development. Motion seconded by Commissioner Stebbins. The motion passed unanimously by a 5-0-0 vote.

Walk Boston Comments – Chairman Crosby stated that he has provided the Commission with comments from WalkBoston, which are interesting and useful. Commissioner Stebbins stated that he has provided the comments to the AIA and BSA for their consideration.

UAW Presentation – Barry Hock, Director of the UAW Mass Gaming Project, addressed the Commission. He stated that he and his colleagues are present today to discuss workplace safety for casino dealers. Present with him was Eileen Wallace, Sub Regional Director of Region 9-A, Karen Rosenberg, International Representative, Julie Kushner, Director of Region 9-A, Mary Magliano, Black Jack Dealer, and Andy Comai, Industrial Hygienist.

Ms. Magliano provided background information relative to her twenty years as a Black Jack dealer and the impact it has had on her health. Mr. Comai provided a PowerPoint presentation and outlined steps that can be taken to minimize impacts on dealers and prevent the type of health issues experienced by Ms. Magliano. Ms. Kushner stated that since Massachusetts is new in the industry and is creating new standards and regulations, there might be an interest in partnering for grants or partnering with the unions to study these issues in order to come up with standards and create better work stations. She also recommended incorporating ergonomic training into the training programs for casino workers.

Chairman Crosby stated that the Commission could consider including this research as part of the research agenda for socioeconomic impacts. He also suggested that the responsibility of dealing with this issue be included in the job description for the supplier and workforce development position.

Motion made to adjourn, motion seconded and carried unanimously.

List of Documents and Other Items Used at the Meeting

1. Massachusetts Gaming Commission November 27, 2012 Notice of Meeting & Agenda
2. November 13, 2012 Meeting Minutes
3. Massachusetts Gaming Commission Memo
4. Draft of Director - Gaming Workforce & Supplier Development and Diversity Initiative
5. Compensation
6. Massachusetts Gaming Commission Employee Handbook
7. Summary Schedule
8. Memo of Understanding for Casino Career Givers Licensure Training
9. Walk Boston
10. Presentation to the Massachusetts Gaming Commission by Representatives of United Auto Workers

/s/ James F. McHugh
James F. McHugh
Secretary