



Meeting Minutes

Date/Time: February 18, 2016 – 10:00 a.m.

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

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 1

[10:01 a.m.](#) Chairman Crosby called to order the 179th Commission meeting.

Approval of Minutes

See transcript pages 2-3

[10:01 a.m.](#) *Commissioner Macdonald moved for the approval of the February 4, 2016 Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Cameron. Chairman Crosby abstained from the vote as he did not attend the February 4th meeting. Motion passed 4 to 0.*

Administration

See transcript pages 2-23

[10:02 a.m.](#) Executive Director Edward Bedrosian, Jr. stated that the agenda will be taken out of order because folks presenting on agenda item number three have not arrived. He stated that water damage to the office, from pipes bursting in the record cold, is being remediated and expected to be completed by next week. He noted that the building staff was very responsive. Chairman Crosby thanked staff for coming in on the Monday holiday to help with the damage.

[10:04 a.m.](#) Commissioner Zuniga stated that the risk management memorandum will be distributed to the Commission to review and discussed at a later date.

- [10:05 a.m.](#) The Commission recessed to allow the stenographer to set up.
- [10:12 a.m.](#) The meeting resumed.
- [10:12 a.m.](#) Ombudsman John Ziemba provided an update on Region C which included the following: March 31st remains the target date for a Region C determination, the Host Community hearing will be held on March 1st in Brockton, the Commission received arbitration reports from the Towns of Easton and West Bridgewater, an objection from the Town of Easton regarding the arbitration report will be addressed separately, and comments for the Mass Gaming & Entertainment application will be accepted before and after the public hearing. Chairman Crosby asked if there had been any updates from the Tribe. General Counsel Catherine Blue noted that the Tribe met with the licensing department and they had a good conversation.
- [10:14 a.m.](#) Ombudsman Ziemba provided an update on Wynn's permitting. He also noted that the City of Somerville filed an appeal with Mass DEP (Massachusetts Department of Environmental Protection) for a hearing on Wynn's Chapter 91 license application. He noted that the review could last six months to a year. He also noted that Wynn stated in public reports that this filing will have an impact on the construction schedule and economic benefits associated with the project.
- [10:25 a.m.](#) Chairman Crosby stated that he has reached out to Somerville Mayor Curtatone in the past. He encouraged staff to reach out to Somerville to get information to understand and address their concerns. He noted that the cost of further delay is extraordinary and anything that can be done to move this forward is in everybody's interest.

Workforce, Supplier and Diversity Development

See transcript pages 23-63

- [10:30 a.m.](#) Director Jill Griffin stated that the Commission established an Access and Opportunity Committee ("AOC") with a primary function of monitoring diversity and assisting licensees with meeting their diversity goals. She introduced Ron Marlow, outgoing Chair of the AOC and Undersecretary of Labor and Workforce Development for the Commonwealth; Jennie Peterson, Manager of Development for Wynn Everett; and Beverly Johnson, President of the Massachusetts Minority Contractors Association. Director Griffin provided information on Mr. Marlow's background and his role on the AOC. Director Griffin thanked Mr. Marlow for his service and presented him with a construction helmet signed by AOC members.
- [10:34 a.m.](#) Commissioner Stebbins, on behalf of the Commission, presented Mr. Marlow with a Certificate of Appreciation for his leadership on the AOC and commitment to diversity.
- [10:36 a.m.](#) Chairman Crosby noted that diversity work is challenging and requires thoughtfulness, aggressiveness, and diplomatic skills. He stated that Mr. Marlow had brought those qualities to the AOC. He also stated that Mr. Marlow's direction and commitment has been helpful and is appreciated.

- [10:38 a.m.](#) Ron Marlow stated that it had been a pleasure to work with the AOC and commended Director Griffin. He thanked the Commission for allowing him to serve on the AOC and stated he will make himself available to the Commission. He recommended that Director Griffin be appointed Chair of the AOC.
- [10:45 a.m.](#) Jennie Peterson, from Wynn MA, thanked Mr. Marlow for his service on the AOC. She reported that the AOC offers a network of stakeholders to support the licensees in their diversity efforts. She cited an example of a breakfast event that brought together diversity groups for bid opportunities which resulted in three contracts. She noted that the three contracts totaled over \$5.6 million.
- [10:52 a.m.](#) Beverly Johnson thanked the Commission and AOC for their commitment. She stated that information from the AOC is provided to their members to prepare them to take advantage of opportunities. She commended Director Griffin on her availability and partnership and noted a joint venture workshop co-sponsored by the Commission.
- [10:58 a.m.](#) Ms. Peterson reported on an event held on February 17th at Everett High School which was attended by over 300 businesses. She stated that the event – an idea from the AOC – included a presentation by Wynn Resort, networking with subcontractors, and one-on-one meetings with Suffolk Construction estimators. She also stated that she received a lot of positive feedback from the businesses.
- [11:00 a.m.](#) Commissioner Stebbins noted Mr. Marlow’s recommendation for Director Griffin to be Chair of the AOC. Commissioner Stebbins stated that he is impressed by Ms. Griffin’s leadership role on the AOC. Executive Director Bedrosian stated that he endorsed the recommendations.
- [11:01 a.m.](#) Director Griffin introduced Larry Andrews and Robert Williams from the Massachusetts Growth Capital Corporation (“MGCC”). She stated that the MGCC has a special loan program that supports our licensees diversity goals.
- [11:03 a.m.](#) Larry Andrews, President of MGCC, stated that the MGCC was created in 2010 to promote economic development in underserved communities and provide women and minority owned businesses and small businesses with capital. He stated that it has been expanded to include Veterans and members of the LGBT community.
- [11:07 a.m.](#) Robert Williams, Loan Officer at MGCC, thanked Director Griffin for her partnership. He stated that if businesses are awarded a contract and they are short on capital, capital will be provided to perform the contract with payroll and equipment support. He also stated that technical assistance is provided and the goal is to move the businesses to a traditional financing source.

Administration (continued)

See transcript pages 63-89

- [11:16 a.m.](#) Chief Enforcement Counsel and Deputy Director Loretta Lillios, Investigations and Enforcement Bureau (“IEB”), reported on the application of Advanced Gaming Associates (“AGA”) for licensure as a Gaming Vendor - Primary. She provided an overview of the company, licensing process, and suitability investigation. She noted that despite the Par-4, Inc. (company founded by AGA President and CEO

Anthony Tomasello) criminal conviction in 1996, the IEB is satisfied with suitability and recommended that the Commission approve the AGA application for licensure as a gaming vendor primary.

[11:42 a.m.](#) Attorney Lloyd Levenson, representing AGA, commended the Commission for a thorough investigation. He stated that in the Par-4, Inc. criminal matter, employees transported slot machine parts to Michigan without knowing what the law was. They pled guilty and paid a fine. He noted that the government eventually dismissed the entire case for the other parties.

[11:47 a.m.](#) *Commissioner Stebbins moved that the Commission accept the suitability investigation of Advanced Gaming Associates, LLC as presented by the Investigations and Enforcement Bureau and approve Advanced Gaming Associates, LLC for licensure as a gaming vendor primary. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

[11:48 a.m.](#) The Commission took a short recess.

[11:56 a.m.](#) The meeting resumed.

Legal Division

See transcript pages 89-139

[11:56 a.m.](#) Deputy General Counsel Todd Grossman presented on draft regulations for skill-based gaming and noted that the regulations will go through an informal public comment period. He stated that the regulations were developed as a collaborative effort and included Floyd Barroga, John Glennon, and consultants in Nevada. Commissioner Stebbins suggested that they send the regulations out to the digital gaming industry sector in Massachusetts to get their feedback. Deputy General Counsel Grossman also explained the minimum theoretical payout.

[12:25 p.m.](#) Deputy General Counsel Grossman presented on the transfer of interest regulations (205 CMR 102, 205 CMR 116, and 205 CMR 129) for final approval and the amended small business impact statement for approval. He noted that a public hearing was held and presided over by Commissioner Zuniga. He stated that he received two comments and made proposed adjustments to the draft.

[12:37 p.m.](#) *Commissioner Zuniga moved that the Commission approve the amended small business impact statement and final promulgation of the transfer of interest regulations. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[12:38 p.m.](#) Chief Enforcement Counsel and Deputy Director Lillios presented on regulation 205 CMR 134 for final promulgation and the amended small business impact statements. She reported that there are no changes to the regulations since they were last proposed to the Commission.

[12:39 p.m.](#) *Commissioner Cameron moved that the Commission approve the amended small business impact statements – both 5 (c) and (d) as outlined in the packet, and final promulgation of 205 CMR 134. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

- [12:41 p.m.](#) Deputy General Counsel Grossman presented on the open communications protocols regulation – 205 CMR 143 and the small business impact statement.
- [12:42 p.m.](#) *Commissioner Stebbins moved that the Commission approve the small business impact statement relative to proposed amendments in 205 CMR 143. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*
- [12:42 p.m.](#) Chief Enforcement Counsel and Deputy Director Lillios presented on the amendment to 205 CMR 152 - exclusion regulation, and highlighted the changes for the Commission. She noted that she also wants to include the word *practicable* when discussing the means for noticing individuals.
- [12:51 p.m.](#) *Commissioner Zuniga moved that the Commission approve the formal promulgation process for 205 CMR 152.00, the regulations for individuals excluded from a gaming establishment as presented in the packet and amended by Counsel Lillios today. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- [12:53 p.m.](#) The Commission took a short recess.
- [12:57 p.m.](#) The meeting resumed.

Research and Responsible Gaming

See transcript pages 139-146

- [12:57 p.m.](#) Terrance Lanier, a Legal Fellow at the Commission, presented on changes to 205 CMR 133.00 - the voluntary self-exclusion regulations. He noted that he looked at other jurisdictions and constructed new language pertaining to winnings and wagering instrument. Director Mark Vander Linden noted that he will make sure that the language in the voluntary self-exclusion application is clear, it will mirror the language in the regulation, and staff that administers the voluntary self-exclusion program will be trained on the changes.
- [1:03 p.m.](#) *Commissioner Zuniga moved that the Commission adopt the language presented in the packet for regulation 205 CMR 133 voluntary self-exclusion and begin the formal promulgation process. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Racing Division

See transcript pages 146-151

- [1:05 p.m.](#) Dr. Alexandra Lightbown, Director of Racing, and Doug O'Donnell, Senior Financial Analyst, presented on unclaimed ticket payments (Outs) and unclaimed winnings for 2014.
- [1:06 p.m.](#) *Commissioner Cameron moved that the Commission approve the request of Sterling Suffolk Racecourse for ticket payments from 2014 for the total \$1148.55. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

1:08 p.m. *Commissioner Stebbins moved that the Commission approve payment of \$267,353.48 from Sterling Suffolk racecourse to the Commonwealth for 2014 unclaimed winnings; \$21,651.19 from Wonderland Greyhound Park; \$136,716.99 from Plainridge racecourse; and \$156,505.69 from Raynham/Taunton/Massasoit Greyhound Associations to the Commonwealth of Massachusetts for 2014 unclaimed winnings. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

1:08 p.m. General Counsel Blue presented on the small business impact statements for 205 CMR 3.00 – Harness Horse Racing and 205 CMR 4.00 – Rules of Horse Racing.

1:09 p.m. *Commissioner Cameron moved that the Commission approve the small business impact statements for 205 CMR 3.00 and 205 CMR 4.00. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Other Business Not Reasonably Anticipated

See transcript page 151

1:10 p.m. *Having no further business, a motion to adjourn was made by Commissioner Zuniga. 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 February 18, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes, dated February 4, 2016, with attachment: MGC Vote Regarding Litigation Release and Surrounding Community Agreement between Wynn MA and the City of Boston
3. Certificate of Appreciation for Ron Marlow
4. Wynn Everett flyer for trade event on February 17, 2016
5. Massachusetts Growth Capital Corporation Information Sheets
6. Letter from Gareth Orsmond, Pierce Atwood, to MassDEP, dated February 11, 2016, regarding Matter of Wynn MA Waterways Application, with attachments
7. Letter from IEB Director Karen Wells and Chief Enforcement Counsel/Deputy Director Loretta Lillios to the Massachusetts Gaming Commission, dated February 15, 2016, regarding Suitability Investigation of Advanced Gaming Associates
8. 205 CMR 143.01, (GLI-11) – Skill Based Gaming Regulation Amendment Principals
9. Draft 205 CMR 102:00: Construction and Application
10. Draft 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
11. Letter from NanoTech Gaming to the Commission, dated December 8, 2015, regarding Skill Based Gaming
12. Letter from NanoTech Gaming to the Nevada Gaming Control Board, dated October 30, 2015, regarding Skill and Hybrid Gaming Devices
13. Letter from Association of Gaming Equipment Manufactures (AGEM) to the Commission, dated December 16, 2015, regarding Support for Skill-Based Gaming/Variable-Payback Slots
14. Letter from Gamblit Gaming to the Commission, dated December 10 2015, regarding Skill Games
15. Draft 205 CMR 102.00: Construction and Application
16. Draft 205 CMR 116.00: Persons Required to be Licensed or Qualified
17. Draft 205 CMR 129.00: Review of a Proposed Transfer of Interests

18. Letter from Taft Stettinius & Hollister to the Commission, dated February 11, 2016, Regarding Proposed regulation 205 CMR 116.00 and 129.00
19. Amended Small Business Impact Statement for Transfer of Interest Regulations 205 CMR 102, 116, and 129
20. Draft 205 CMR 134.00: Licensing and Registration of Employees, vendors, Junket Enterprises and Representatives, and Labor Organizations (Temporary License)
21. Amended Small Business Impact Statement for 205 CMR 134.00: Licensing and Registration of Employees, vendors, Junket Enterprises and Representatives, and Labor Organizations (Temporary License)
22. Draft 205 CMR 134.00: Licensing and Registration of Employees, vendors, Junket Enterprises and Representatives, and Labor Organizations (Term of License)
23. Amended Small Business Impact Statement for 205 CMR 134.00: Licensing and Registration of Employees, vendors, Junket Enterprises and Representatives, and Labor Organizations (Term of License)
24. Draft 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
25. Small Business Impact Statement for 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
26. Draft 205 CMR 152.00: Individuals Excluded from a Gaming Establishment
27. Draft 205 CMR 133.00: Voluntary Self-Exclusion
28. Massachusetts Gaming Commission, Memorandum dated February 16, 2016, regarding Sterling Suffolk Racecourse Unclaimed Ticket (“Outs”) Payments for 2014
29. Massachusetts Gaming Commission, Memorandum dated January 12, 2016, regarding Review of Suffolk Downs Payments from 2014 Outs Book
30. Massachusetts Gaming Commission, Memorandum dated February 16, 2016, regarding Recovery of 2014 Unclaimed Winnings from Sterling Suffolk Racecourse
31. Letter from Douglas O’Donnell, Massachusetts Gaming Commission, to Sterling Suffolk Racecourse, dated February 18, 2016, regarding Recovery of Unclaimed Winnings (2014 OUT’s) \$267,353.48
32. Massachusetts Gaming Commission, Memorandum dated February 16, 2016, regarding Recovery of 2014 Unclaimed Winnings from Wonderland Greyhound Park
33. Letter from Douglas O’Donnell, Massachusetts Gaming Commission, to Wonderland Greyhound Park, dated February 18, 2016, regarding Recovery of Unclaimed Winnings (2014 OUT’s) \$21,651.19
34. Massachusetts Gaming Commission, Memorandum dated February 16, 2016, regarding Recovery of 2014 Unclaimed Winnings from Plainridge Racecourse
35. Letter from Douglas O’Donnell, Massachusetts Gaming Commission, to Taunton Dog Track/Massasoit Greyhound Association, dated February 18, 2016, regarding Recovery of Unclaimed Winnings (2014 OUT’s) \$156,505.69
36. Small Business Impact Statement for 205 CMR 3.00: Harness Horse Racing
37. Small Business Impact Statement for 205 CMR 4.00: Rules of Horse Racing

/s/ Catherine Blue

Catherine Blue, Assistant Secretary