



Meeting Minutes

Date/Time: March 5, 2015 – 10:30 a.m.

Place: MassMutual Center
1277 Main Street, Meeting Rooms 1 & 2
Springfield, Massachusetts

Present: Chairman Stephen P. Crosby
Commissioner Gayle Cameron
Commissioner Bruce Stebbins
Commissioner James F. McHugh (arrived at 10:46 a.m.)
Commissioner Enrique Zuniga

Call to Order

See transcript page 2

10:31 a.m. Chairman Crosby called to order the 146th Commission Meeting.

Approval of the Minutes

See transcript pages 3-4

10:32 a.m. *Commissioner Zuniga moved for the approval of the February 5, 2015 minutes subject to typographical corrections. Chairman Crosby abstained because he did not attend the February 5 meeting. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

Commissioner Zuniga moved for the approval of the February 19, 2015 minutes subject to typographical corrections. Motion seconded by Commissioner Stebbins. Motion passed unanimously.

Administration

See transcript pages 5-29

10:34 a.m. Director Day presented an administrative update which included the following: license management system, vendor advisory group meeting in Plainville, Wynn and MGM project monitoring schedules, Lasik Procedures workgroup meeting, hiring staff for racing season, budget and

operations, high performance project, status on open staff positions, regulations and Suffolk Downs.

- 10:41 a.m. Commissioner Stebbins provided an update on the Penn vendor advisory group meeting.
- 10:44 a.m. Human Resource Manager Banda provided a report on the Classification and Compensation Plan which included salary range and salary structure.
- 10:56 a.m. *Commissioner Zuniga moved that the Commission accept and adopt the Classification and Compensation Plan subject to additional information to provide clarification. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Research and Responsible Gaming

See transcript pages 30-55

- 10:57 a.m. Director Vander Linden presented on National Problem Gambling Awareness Month and conference held in Springfield to promote awareness of problem gambling.
- 11:00 a.m. Dr. Sarah Nelson, representing the Cambridge Health Alliance, presented on activities within the Division on Addiction which included gambling research, training, educational outreach activities and the Gambling Disorder Screening Day to be observed on March 10th.
- 11:11 a.m. Chairman Crosby raised issue of providing company based gambling disorder screenings for employees as opposed to solely behavioral health provider screenings.
- 11:12 a.m. Human Resource Manager Banda will look into feasibility of doing an in-house gambling disorder screening for employees.

Ombudsman

See transcript pages 56-129

- 11:21 a.m. Michael Fitzgerald, representing Pinck & Company and Oversight Project Manager for MGM Springfield, presented an overview on MGM's activity schedules.
- 11:23 a.m. Michael Mathis, President & COO for MGM Springfield, presented an overview on MGM activities since November licensing which included the following: construction schedule, outreach activities, Historic Commission engagement, real estate closings, surrounding community agreement payments, diversity plan and employee hiring.

- 11:33 a.m. Brian Packer, Director of Design and Construction for MGM, presented an overview on construction project schedule which included site clearance and outreach to contractors.
- 11:59 a.m. Charles Irving, President of Davenport Companies, presented an update on working with the Springfield Historic Commission, historic building site views, and commitment to preservation.
- 12:08 p.m. The Commission took a short recess.
- 12:15 p.m. Meeting resumed.
- 12:15 p.m. Charles Irving presented on Viaduct schedule and meeting with DOT.
- 12:24 p.m. Ombudsman Ziemba presented on the 2015 Community Mitigation Reserve Fund which included an update on applications received and receipt of one late application.
- 12:36 p.m. *Commissioner Zuniga moved that the Commission adhere to deadline for submission of Community Mitigation Fund applications and encourage communities that missed the deadline to reapply in the next round of funding, and authorize staff to effectuate reserves to communities that did meet the deadline. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 12:36 p.m. Commission recessed for lunch.
- 1:32 p.m. Commission McHugh announced that meeting will reconvene at 2:00 p.m.
- 1:59 p.m. Meeting resumed.

Legal Division

See transcript pages 130-174

- 1:59 p.m. General Counsel Blue presented on the Race Horse Development Fund requests which included an overview of the issues raised by stakeholders at the last Commission meeting, memoranda addressing the Economic Assistance Fund and health and welfare benefits, and funding allocation recommendations for the Commission.
- 2:17 p.m. Stephen O'Toole, General Manager of Plainridge Racecourse, provided comments about the health and welfare benefits.
- 2:20 p.m. *Commissioner Cameron moved that the Commission distribute the 4 percent of the Racehorse Development Fund for both harness and thoroughbred racing and hold back 20 percent until more information is received. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

- 2:21 p.m. General Counsel Blue presented an overview of the Race Horse Development Fund memorandum pertaining to the 16% distribution to the Thoroughbred and Standardbred breeding programs.
- 2:23 p.m. *Commissioner Cameron moved that the Commission authorize the entire 16 percent of the split from the Racehorse Development Fund to the Massachusetts Thoroughbred Breeders Association and the 16 percent of the split to the Standardbred Owners of Massachusetts; and further authorize to provide the 80 percent to the purse account to the Standardbred licensee. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*
- 2:28 p.m. General Counsel Blue presented on the Amended Small Business Impact Statements pertaining to regulations 205 CMR 149 – Racehorse Development Fund and 205 CMR 134 – Licensing.
- 2:28 p.m. *Commissioner Zuniga moved that the Commission approve the submission of the Amended Small Business Impact Statement for regulations 205 CMR 149 – Racehorse Development Fund and 205 CMR 134 – Licensing . Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 2:30 p.m. General Counsel Blue presented on the Small Business Impact Statements pertaining to regulations 205 CMR 139 – Continuing Disclosure and Reporting Obligations and 205 CMR 140 – Gross Gaming Revenue Tax Remittance and Reporting.
- 2:30 p.m. *Commissioner Zuniga moved that the Commission approve the submission of the Small Business Impact Statements for regulations 205 CMR 139 – Continuing Disclosure and Reporting Obligations and 205 CMR 140 – Gross Gaming Revenue Tax Remittance and Reporting. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 2:31 p.m. General Counsel Blue presented on the policy pertaining to removal and archiving of unsuccessful applicant materials from the Commission website.
- 2:33 p.m. *Commissioner Cameron moved that the Commission approve the removal of applicant materials from the Commission Web site as outlined in the policy. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

Investigation and Enforcement Division

See transcript pages 175-213

- 2:35 p.m. Director Wells presented on Penn National's request for temporary licenses from primary vendors – Konami Gaming, Modern Gaming and Ainsworth Game Technology.
- 2:50 p.m. *Commissioner Stebbins moved that the Commission approve the temporary gaming vendor primary license for Konami Gaming, Modern Gaming and Ainsworth Game Technology. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 2:51 p.m. Director Wells presented an update on Region C applicants and compliance status.
- 3:01 p.m. IEB Counsel/Deputy Director Lillios and Gaming Agents Division Chief Band presented on draft regulation 205 CMR 151 – Requirements for the Operations and Conduct of Gaming at a Gaming Establishment.
- 3:10 p.m. *Commissioner Zuniga moved that the Commission approve the formal process for promulgation of regulation 205 CMR 151 – Requirements for the Operations and Conduct of Gaming at a Gaming Establishment. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

Information Technology Division

See transcript pages 213-245

- 3:11p.m. Director Glennon presented on proposed changes for 205 CMR 143.01 and 143.16.
- 3:16 p.m. *Commissioner McHugh moved that the amendments to 205 CMR 143.01 and 143.16 as contained in the packet be approved by the Commission for commencement of the formal adoption process. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 3:17p.m. Chief Information Officer Glennon presented an update on the gaming technology laboratory which included standards, procedures, comments received and hiring status.

Other Business Not Reasonably Anticipated

See transcript page 245

- 3:42 p.m. *Having no further business, a motion to adjourn was made. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission March 5, 2015 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission February 5, 2015 Draft Meeting Minutes
3. Massachusetts Gaming Commission February 19, 2015 Draft Meeting Minutes
4. Massachusetts Gaming Commission Classification and Compensation Plan
5. Memorandum from Cambridge Health Alliance, dated February 12, 2015 regarding Gambling Disorder Screening Day, with attachments
6. MGM Springfield Project Update dated March 5, 2015
7. Memorandum from Ombudsman Ziemba to MGC Commissioners, dated March 2, 2015 regarding Mitigation Reserve Fund and Local Community Advisory Committee, with attachments
8. Memorandum from Racing Division to Commission, dated March 5, 2015 regarding Economic Assistance Fund
9. Memorandum from Racing Division to Commission, dated March 5, 2015 regarding Health and Welfare Benefits
10. Letter from Jockeys' Guild to MGC, dated March 2, 2015 regarding Comments on the Race Horse Development Fund
11. Memorandum from Racing Division to Commission, dated March 5, 2015 regarding the Massachusetts Thoroughbred and Standardbred Breeding Programs
12. Amended Small Business Impact Statement pertaining to 205 CMR 149.00: Race Horse Development Fund
13. 205 CMR 149:00 Race Horse Development Fund
14. Amended Small Business Impact Statement pertaining to 205 CMR 134:00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations
15. 205 CMR 134:00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations
16. MGC policy regarding the removal of applicant materials from the website
17. Small Business Impact Statement pertaining to 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees and Qualifiers
18. Small Business Impact Statement pertaining to 205 CMR 140.00: Gross Gaming Revenue Tax Remittance and Reporting
19. 205 CMR 151: Requirements for the Operations and Conduct of Gaming at a Gaming Establishment
20. 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
21. Gaming Technology Laboratory Update Documents
 - Letter from John Glennon to Independent Testing Laboratories, dated February 27, 2015 regarding applications
 - Independent Testing Laboratory Certification Process, Checklist, Qualifications and Conditions of Certification
 - Disclosure Form for Background Investigation of MGC Vendor
 - Draft Gaming Technology Lab Standard Operating and Business Processes with attachments (comments).

/s/ Catherine Blue
Catherine Blue
Assistant Secretary