



Massachusetts Gaming Commission Meeting Minutes

Date/Time: June 22, 2017 – 10:00 a.m.

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

[10:02 a.m.](#) Chairman Crosby called to order the 220th Commission meeting.

Approval of Minutes

See transcript pages 2-5

[10:03 a.m.](#) Commissioner Macdonald moved for the approval of the Commission meeting minutes of June 8, 2017, subject to corrections for typographical errors and other nonmaterial matters. He noted a typo at time entry 12:42 p.m. – Mr. Lagorio's name was misspelled. Commissioner Stebbins inquired about a reference to Springfield at time entry 10:51 a.m. General Counsel Catherine Blue responded that the reference to Springfield is the City of Springfield and MGM Springfield. Commissioner Stebbins also inquired about including a reference to Commissioner Macdonald's absence at the discussion for the gaming service employees. General Counsel Blue noted that he was referring to the meeting on June 14th, not June 8th. Motion seconded by Commissioner Cameron. Motion passed unanimously.

Administrative Update

See transcript pages 5-7

[10:06 a.m.](#) Executive Director Edward Bedrosian, Jr. reported that there will be an all staff meeting on Friday. He noted that he just distributed a memo to the Commissioners pertaining to gaming service employees and he will give them time to review it before we discuss the topic.

Research and Responsible Gaming

See transcript pages 7-30

- [10:07 a.m.](#) Director Mark Vander Linden provided an update on the work being done to create a regional voluntary self-exclusion (“VSE”) program.
- [10:08 a.m.](#) Program Manager Teresa Fiore provided an overview of the VSE program. She stated that the Expanded Gaming Act calls for a statewide VSE program as well as an interstate compact. She noted that there is no regional VSE model that currently exists within the country. She also noted that individuals who participate in a VSE program experience a significant reduction in gambling problems. Ms. Fiore reported that our VSE program is currently under evaluation and preliminary results show that individuals are very or extremely satisfied with the program and have better experiences than with other programs.
- [10:12 a.m.](#) Marlene Warner, Executive Director of the Massachusetts Council on Compulsive Gambling, gave credit to the members of the New England Consortium and the leadership of Chairman Crosby for their efforts in starting a regional VSE program. She noted that there is participation from each of the New England states and New York.
- [10:16 a.m.](#) Program Manager Fiore reported on the administrative challenges for a regional VSE program. She stated that the regional group meets quarterly and the next meeting is in the Fall. She stated that they are working on a draft regional VSE document. She stated that an individual will have the option to self-exclude from a statewide list and a regional list. Executive Director Warner clarified that individuals can self-exclude from all the states on a regional list or they can select individual states. Director Vander Linden stated that it would be ideal if there were a national approach to the VSE program. Commissioner Zuniga noted that we are the only state that requires an exit interview. He thinks that this is a great approach but the other states do not have the capacity to do exit interviews. Chairman Crosby noted that there will be an option for an electronic exit interview. Chairman Crosby noted that our jurisdiction handles the VSE enrollment in a sensitive way as opposed to other jurisdictions that consider it a law enforcement function. He stated that we receive positive feedback about our process and we may be able to provide training. He also noted that all the members have worked collaboratively and they try their best to compromise where they can.

Licensing Division

See transcript pages 31-50

- [10:31 a.m.](#) Paul Connelly, Director of Licensing, reported that the first gaming school certification in the Commonwealth will be issued to Bristol Community College–CATCH (Culinary Arts, Tourism, Casino Management and Hospitality) Institute. He provided an overview of the program and stated that students will be trained to serve in a number of capacities within a casino. He reported that there is a training lab and dealing classes will be offered. He noted that they are also working on a surveillance lab for the future. Commissioner Cameron stated that she is impressed by the program. Chef John Caressimo, from Bristol Community College (“BCC”), stated that they should have a class of about 8-10 students for the Fall. He stated that unless students see an actual casino, they don’t see the prospect of jobs. He

stated that they have had discussions with MGM for training opportunities. Commissioner Macdonald noted the prospect of a casino opening in Tiverton, in close proximity to BCC, and that may present opportunities for BCC. Chef Caressimo stated that he hopeful that something can be worked out with Twin River. Director Connelly presented the certification to Chef Caressimo.

[10:42 a.m.](#) Director Paul Connelly reported on a gift received from Palmer Acquisition Corporation, a non-gaming vendor. He stated that they received a signed baseball bat from the owner, Garry Maddox, a former major league baseball player. He stated that the bat was given for the great services that the vendor received from the Commission's Licensing Division. He stated that the bat will be returned because they do not want to create any appearance of impropriety. He stated that it was an honor to receive it and it is an example of the great work that is being done. Commissioner Zuniga noted that due to our ethics code, we cannot accept any gifts for the work that we do, and we can return it with a thoughtful note.

Finance Division

See transcript pages 50-74

[10:50 a.m.](#) CFAO Derek Lennon presented on the FY 2018 Budget. He noted that the budget was put out for public comment and we received comments from MGM and the Attorney General's Office. The Commissioners and CFAO Lennon addressed comments pertaining to the Attorney General's costs. Commissioner Zuniga stated that we may need to come back and adjust the budget as we obtain better information about resources and the exact opening date of MGM.

[11:13 a.m.](#) *Commissioner Stebbins moved that the Commission approve the FY18 MGC operating budget of \$29,152,556.87. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Legal Division

See transcript pages 74-106

[11:13 a.m.](#) General Counsel Catherine Blue presented on the small business impact statements for amendments pertaining to racing medication regulations [205 CMR 3.00:Harness Horse Racing and 205 CMR 4.00:Rules of Horse Racing]. Commissioner Zuniga inquired about the Greek letters in the regulation. General Counsel Blue reported that this is acceptable for Veterinary practice. Commissioner Stebbins suggested clarification for language pertaining to the number of small businesses.

[11:18 a.m.](#) *Commissioner Macdonald moved that the Commission approve the small business impact statements for 205 CMR 3.00 and 205 CMR 4.00 as included in the packet and authorize the staff to proceed with the regulation promulgation process. Motion seconded by Commissioner Cameron. Commissioner Macdonald amended the motion to include suggested edits from Commissioner Stebbins. Motion passed unanimously.*

[11:19 a.m.](#) General Counsel Blue presented on the amended small business impact statement and request for final promulgation and approval of amendments to regulation 205 CMR 136 – removing names from an alcoholic beverage license.

- [11:21 a.m.](#) *Commissioner Stebbins moved that the Commission approve the amended small business impact statement and final version of 205 CMR 136.08 as included in the packet and authorize staff to take all necessary steps to file the regulation with the Secretary of the Commonwealth and complete the regulation promulgation process. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*
- [11:22 a.m.](#) General Counsel Blue presented on the amended small business impact statement and request for final approval of amendments to regulation 205 CMR 143 – transfer of progressive jackpots.
- [11:23 a.m.](#) *Commissioner Zuniga moved for the approval of the amended small business impact statement and final version of 205 CMR 143.02 as included in the packet and authorize staff to take all steps necessary to file the regulation with the Secretary of the Commonwealth and complete the regulation promulgation process. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- [11:23 a.m.](#) Deputy General Counsel Todd Grossman presented on the amended small business impact statement and final approval for amendments to 205 CMR 143. The amendments pertain to the adoption of GLI (Gaming Laboratories International) 11 version 3.0, which incorporates skill-based gaming standards and updates technical standards for slot machines and other devices. He noted that we received comments from, and had discussions with, GLI and Scientific Games. He also provided an overview of two changes, pertaining to the malfunction voids all play display and distinction between an automatic amusement device and slot machine, which were made to the initial draft.
- [11:37 a.m.](#) *Commissioner Cameron moved that the Commission approve the amended small business impact statement and final version of 205 CMR 143.01, 138.56 and 139.04 as included in the packet and authorize the staff to take all steps necessary to file the regulation with the Secretary of the Commonwealth and complete the regulation promulgation process. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*
- 11:38 a.m. The Commission took a brief recess.
- 11:43 a.m. The meeting resumed.
- 11:44 a.m. Loretta Lillios presented on a request to amend, as an emergency, 205 CMR 134.04. She stated that they are seeking to remove two categories of individuals from the automatic qualification category – outside directors and sales representatives. She stated that they have the authority to conduct background checks if warranted. She also asked the Commissioners to disregard amendments in the packet for 205 CMR 134.18.
- 11:50 a.m. *Commissioner Stebbins moved that the Commission approve by emergency the amendments to 205 CMR 134 as included in the packet and authorize staff to take steps necessary to file the regulation with the Secretary of the Commonwealth and to proceed with the regulation promulgation process. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Investigations and Enforcement Bureau (“IEB”)

See transcript pages 107-114

- 11:51 a.m. Director Karen Wells presented on the results of the suitability investigation for Andrew Hagopian, a qualifier for MGM Resorts. She provided a summary of his educational and professional background. She noted that a background check and financial investigation was conducted with positive results. She stated that the IEB recommends that the Commission find him suitable as a qualifier for MGM.
- 11:57 a.m. *Commissioner Cameron moved that the Commission approve Andrew Hagopian as a qualifier for MGM. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Ombudsman

See transcript pages 115-153

- 11:58 a.m. Chairman Crosby stated that he will address agenda item 9 out of order because the Plainville Fire Chief is present and he would like to observe his Community Mitigation Fund application.
- 11:59 a.m. Ombudsman John Ziemba provided an overview of the Community Mitigation Fund application process. He stated that the Review Team recommended \$2.5 million in grant applications plus an additional \$300,000 in the use of Reserves.
- 12:03 p.m. Ombudsman Ziemba presented on the Specific Impact grant application for Plainville. He reported that the Town of Plainville requested funding for a fire prevention vehicle that would fit inside the Plainridge Park Casino garage to respond to fires. He stated that the Review Team did not reach a unanimous determination. The Commissioners discussed the application.
- 12:36 p.m. *Commissioner Cameron moved that the Commission approve the request of Plainville. Motion seconded by Commissioner Stebbins. Commissioners Cameron, Macdonald and Stebbins approved the motion. Chairman Crosby and Commissioner Zuniga opposed the motion. Motion passed 3 to 2.*
- 12:37 p.m. Ombudsman Ziemba reported that the Town of Plainville requested to use \$100,000 of its Reserves to purchase the following public safety items: a cardiac monitor, portable radios, and body armor. He noted that the Review Team was unanimous in their recommendation to approve the request.
- 12:38 p.m. *Commissioner Stebbins moved that the Commission approve the recommended use of the Plainville Reserve as included in the packet. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 12:38 p.m. The Commission recessed for lunch.
- 1:34 p.m. The meeting resumed.

Administrative Update

See transcript pages 154-208

[1:34 p.m.](#) Chairman Crosby stated that there have been a number of conversations pertaining to the gaming service employee matter. He stated that the Commission discussed different options to recommend to the legislature for a legislative fix.

[1:36 p.m.](#) Executive Director Bedrosian stated that at the last Commission meeting there was a consensus around Options A and D. He stated that staff drafted a hybrid of those options. He noted that Commissioner Macdonald was not present at the last meeting and a decision was made to wait for his input. Commissioner Macdonald stated that he listened to the discussion of the last meeting and he provided his thoughts to the Commission and staff. He stated that if the legislature accepted what the staff has drafted, it would be a significant improvement to what we have. He noted that he favors Options B or C. Director Wells stated that Options B and C could be problematic because they lack certainty. She stated that she has certainty with Options A and D. The Commissioners and Director Wells discussed the different options.

Commissioner Cameron stated that the staff recommendation for Options A & D is strong, their rationale is sound, and she is strongly in favor of Options A & D. Commissioner Zuniga stated that he favors Options A & D. Commissioner Macdonald stated that he thinks Options A & D is a good hybrid proposal, but it is less good than Options B & C. Chairman Crosby stated that if the legislature adopts Options A & D, it would be major progress. Commissioner Stebbins stated that he likes Option A because it's clear and he noted that Option D may end up in other criminal justice legislation. Commissioner Zuniga stated that Option A by itself does too little and Options A and D complement each other. Commissioner Stebbins stated that he is comfortable with Options A & D. Commissioner Macdonald stated that he is comfortable with the staff recommendation of Options A and D. Chairman Crosby stated that he would support a hybrid option.

[2:29 p.m.](#) *Commissioner Stebbins moved that the Commission approve the recommendation of staff to address the question of eligibility for gaming service employees and assist you [the Chair] with preparing a letter in appropriate legislative language to convey to the legislature as early as convenient. Motion seconded by Commissioner Cameron. Commissioner Macdonald clarified that the hybrid recommendation includes Options A & D. Motion passed unanimously.*

2:36 p.m. The Commission took a brief recess.

2:41 p.m. The meeting resumed.

Ombudsman

See transcript pages 208-295

[2:41 p.m.](#) Ombudsman Ziemba presented on the 2017 Community Mitigation Fund ("Fund") applications with recommendations from the Review Team.

Specific Impact Grants

Ombudsman Ziemba reported that the City of Attleboro requested funding to assist in the design and construction of a combined Fire, EMS, and Police dispatch center.

He stated that the data does not support the request. He also stated that the Review Team felt that it is too early to ascertain the impact on the dispatch center by the casino.

Ombudsman Ziemba reported that the City of Everett requested funding for a bike sharing service to provide an alternative mobility for workers and residents. He stated that the Review Team did not reach a consensus on a recommendation. If the Commission does approve funding, the Review Team does not recommend full funding.

Ombudsman Ziemba reported that the City of Lynn requested funding to alleviate traffic by creating a left-hand turn into the ferry entrance for commuters on Route 1A. The Review Team does not feel that the application demonstrates that the impact is being caused by the casino. The Review Team did not recommend funding.

Ombudsman Ziemba reported that the Norfolk District Attorney's Office requested funding towards the salary of an Assistant District Attorney and Victim Witness Advocate to handle matters at the Wrentham District Court associated with the casino. The Review Team noted that the Expanded Gaming Act anticipated impacts to District Attorney's offices; however, the Review Team stated they had insufficient data to determine if the requested resources correspond to the impact. The Review Team recommended that funding, not more than \$25,000, could be used to develop a tracking system.

Ombudsman Ziemba reported that the City of Springfield requested funding to cover the costs of relocating Focus Springfield – a public access television studio and training facility. He stated that he recently received information from MGM Springfield that they do not intend to require Focus Springfield to vacate prior to the casino opening. Ombudsman Ziemba stated that based upon this information, the Review Team recommends placing this application on hold.

Ombudsman Ziemba reported that the City of Springfield, on behalf of the Caring Health Center and other businesses, requested funding for the continuation of the valet parking pilot program. The valet program alleviates parking issues related to MGM construction. He noted that the need for this mitigation was previously demonstrated in the 2016 Fund. The Review Team recommended funding in the amount of \$31,523 for materials and continuation of the program.

[2:58 p.m.](#)

Transportation Planning Grants

Ombudsman Ziemba reported that the City of Boston requested funding to cover the costs associated with the design services for reconstruction of Sullivan Square/Rutherford Avenue in Charlestown. The Review Team recommended that the Commission approve \$150,000 in transportation planning grant funding and \$100,000 in the use of Boston's Reserves.

Ombudsman Ziemba reported that the City of Everett requested funding for the preliminary design and engineering of a bus-only lane on the west side of Broadway/Route 99 from the City of Everett to Route 16/Sweetser Circle. The Review Team was unanimous in its support of the application.

Ombudsman Ziemba reported that the City of Lynn requested funding for a cost sharing agreement with the U.S. Army Corp of Engineers for a dredging project that would assist ferry service. The Review Team did not find that the application is related to transportation issues or impacts from the casino. The Review Team did recommend, with a condition, funding for non-ferry related transportation planning studies to lessen potential traffic impacts.

Ombudsman Ziemba reported that the City of Malden requested funding to complete planning and design work for Exchange Street. The Review Team was not unanimous that the application addressed impacts by the casino.

Ombudsman Ziemba reported that the City of Medford requested \$60,000 in funding for the second year of a contract transportation planner. The Review Team recommended \$20,000. The City of Medford requested funding for a land use assessment in the Wellington Circle area. The Review Team does not believe that this study is related to transportation issues or casino impacts. The Review Team did not recommend funding for the land use assessment. The City of Medford also requested funding for a study of the South Medford Connector. The Review Team recommended \$60,000 for this study.

Ombudsman Ziemba reported that the City of Revere and Town of Saugus requested funding to hire a joint transportation planner. Ombudsman Ziemba noted that we did not include joint applications in the guidelines. The Review Team found that the application was reasonable and they recommended funding of a planner. Ombudsman Ziemba stated that Revere and Saugus will have to determine how they will allocate the \$100,000 Reserve.

Ombudsman Ziemba reported that the Town of Somerville requested funding to mitigate the intersection of Interstate 93, State Route 28, and State Route 38. The Review Team believes that this study could provide valuable information for a congested area that could be impacted by the casino. The Review Team recommended funding.

Ombudsman Ziemba reported that the Town of West Springfield requested funding for design services for improvements to the Elm Street (Route 20) corridor. The Review Team determined that this project addresses impacts from the casino and they recommended funding.

[3:14 p.m.](#) Tribal Gaming Technical Assistance Grant

Ombudsman Ziemba reported that the Commission can provide technical assistance funding to determine impacts by communities in proximity of a Tribal gaming facility in Taunton. The Review Team recommended \$200,000 be held in reserve for a technical assistance program. The reserve will be activated upon determination by the Commission of potential construction by the Tribe.

[3:16 p.m.](#) Reserve Applications

Ombudsman Ziemba noted that the Boston and Plainville Reserves were covered, and recommended for approval, earlier in the meeting. He reported that the City of

Somerville requested use of its Reserve of \$100,000 for baseline studies pertaining to highway air pollution and vehicular traffic patterns. The Review Team believes that these studies can provide valuable information relative to a congested area that could be impacted by the casino.

Ombudsman Ziemba requested that the Commission give staff the authority to work on grant contracts and conditions. The Commissioners discussed and voted on the applications.

[3:21 p.m.](#) *Commissioner Macdonald moved that the Commission decline to approve the application of Attleboro for the reasons stated in the presentation by Mr. Ziemba and the materials in the packet. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

[3:22 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the majority of the Review Team that the Everett Specific Impact application be approved in the amount of \$150,000 for the reasons stated in the materials. Motion seconded by Commissioner Cameron. The Commissioners discussed the application. Motion passed unanimously.*

[3:42 p.m.](#) *Commissioner Macdonald moved that the Commission support the recommendation of the Review Team as it relates to declining Lynn's application for a Specific Impact grant of \$400,000 but to approve the recommendation of the Review Team as to its application for a Transportation Planning grant in the amount of \$100,000. Motion seconded by Commissioner Cameron. The Commissioners discussed the application. Chairman Crosby recused himself from the vote because his brother lives there and is involved in doing stuff there. Commissioner Zuniga added a recommendation of further review and a report back to the Commission by Ombudsman Ziemba. Motion seconded by Commissioner Macdonald. Motion passed 4 to 0 with 1 recusal.*

[3:52 p.m.](#) *Commissioner Macdonald moved that the Commission accept the recommendation that we approve the application of the Norfolk County District Attorney for a Specific Impact grant in the amount of \$25,000 with the use of that limited according to the conditions described in the review committee's materials before the Commission. Motion seconded by Commissioner Stebbins. The Commissioners discussed the application. Motion passed unanimously.*

[3:56 p.m.](#) *Commissioner Macdonald moved that the Commission support the recommendation to put on hold the community television [Focus Springfield/Springfield application]. Motion seconded by Commissioner Cameron. Commissioner Stebbins noted for the record that he interacted with folks at the television station when he was in the City of Springfield. Motion passed unanimously.*

[3:58 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the review committee with regard to the City of Springfield /Caring and Health valet program in the amount of \$31,523 for the reasons explained in the packet summary memorandum from the Review Team. Motion seconded by Commissioner Stebbins. The Commissioners and staff discussed the application. Motion passed unanimously.*

Commissioner Updates

See transcript page 295

[4:03 p.m.](#) There were no Commissioner updates reported.

Other Business Not Reasonably Anticipated

See transcript page 295

[4:04 p.m.](#) *Having no further business, a motion to adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated June 22, 2017
2. Massachusetts Gaming Commission, Draft Meeting Minutes, June 8, 2017
3. Massachusetts Gaming Commission, Hybrid of Options A & D, Option A, Option B, Option C, Option D, and What Effect Would Each Option Have on GSE? - Chart
4. Massachusetts Gaming Commission, Memorandum from Commissioner Lloyd Macdonald to the Commissioners, dated June 21, 2017, regarding Statutory Alternatives for Regulation of Gaming Service Employees
5. Massachusetts Gaming Commission, Memorandum from Director of Licensing Paul Connelly to the Commissioners, dated June 22, 2017, regarding Bristol Community College – Gaming School Certification
6. Massachusetts Gaming Commission, Memorandum from Executive Director Edward Bedrosian, Jr. and CFAO Derek Lennon, to the Commissioners, dated June 8, 2017, regarding the Fiscal Year 2018 (FY18) Initial Budget Recommendations, with attachments
7. Letter from MGM Springfield to the Commission, dated June 21, 2017, regarding FY 2018 Budget, with attachment
8. Letter from the Office of the Attorney General to the Commission, dated June 21, 2017, regarding Attorney General's Division of Gaming Enforcement
9. Small Business Impact Statement and Draft of 205 CMR 3.00: Harness Horse Racing
10. Small Business Impact Statement and Draft of 205 CMR 4.00: Rules of Horse Racing
11. Amended Small Business Impact Statement and Final Draft Amendments to 205 CMR 136.00: Sale and Distribution of Alcoholic Beverages at Gaming Establishments
12. Amended Small Business Impact Statement and Final Draft Amendments to 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
13. Amended Small Business Impact Statement and Final Draft Amendments to 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment, 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls; and 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees
14. Public Comment: Scientific Games, dated April 27, 2017, regarding 205 CMR 143.
15. Public Comment: Plainridge Park Casino, regarding 205 CMR 143.
16. Draft Amendments to 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations
17. Massachusetts Gaming Commission, Memorandum from the Review Team to the Commissioners, dated June 19, 2017, regarding 2017 Community Mitigation Fund Application Review, with attachments

/s/ Catherine Blue

Catherine Blue, Assistant Secretary