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THE COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS GAMING COMMISSION

OPEN MEETING

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron (*present via telephone*)

James F. McHugh (*not present*)

Bruce W. Stebbins

Enrique Zuniga

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NOVEMBER 20, 2012, 1:00 p.m.

OFFICE OF THE DIVISION OF INSURANCE

First Floor, Hearing Room E

1000 Washington Street

Boston, Massachusetts

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**PROCEEDINGS:**

CHAIRMAN CROSBY: Why don't I call to order the public meeting number 36 of the Massachusetts Gaming Commission November 20 in the year 2012.

Commissioner Cameron is geographically out of reach for personal contact but she will be calling in. When she does -- There we go. Commissioner Cameron?

COMMISSIONER CAMERON: Yes.

CHAIRMAN CROSBY: How do you do?

COMMISSIONER CAMERON: I am just fine. How are you, Sir?

CHAIRMAN CROSBY: We are doing well. Thank you. We just convened the meeting.

COMMISSIONER CAMERON: Excellent.

CHAIRMAN CROSBY: And I do need to make sure that you can hear us clearly.

COMMISSIONER CAMERON: I can hear you loud and clear.

CHAIRMAN CROSBY: Okay, great. And I'm sure you'll speak up if you can't.

COMMISSIONER CAMERON: I certainly

1 will. Thank you, Mr. Chair.

2 CHAIRMAN CROSBY: All right. We are  
3 running through the agenda starting what item number  
4 two, which is the approval of minutes. We have two  
5 sets November 6 and November 13.

6 I have not had a chance to read November  
7 13. So, I'd rather postpone those. I have read  
8 November 6. So, have others and are there any  
9 comments?

10 COMMISSIONER ZUNIGA: I have read  
11 November 6 meeting minutes and I find them in good  
12 order and have no comments at this time.

13 CHAIRMAN CROSBY: Commissioner  
14 Stebbins or Cameron?

15 COMMISSIONER STEBBINS: The sixth  
16 meeting minutes look fine. I did read the 13th. I  
17 only had one correction or change on page five.

18 CHAIRMAN CROSBY: As long as  
19 Commissioner McHugh isn't here and we aren't going  
20 to do those, just save that until next week.

21 COMMISSIONER STEBBINS: Yes.

22 CHAIRMAN CROSBY: Does somebody want  
23 to move on --

24 COMMISSIONER STEBBINS: Motion to

1 approve the minutes of November 6, 2012.

2 CHAIRMAN CROSBY: Second?

3 COMMISSIONER ZUNIGA: I second that.

4 CHAIRMAN CROSBY: Any further

5 discussion? All in favor? I guess we need to have

6 a roll call vote because of having somebody on the

7 phone. We'll now take a vote. All in favor,

8 Commissioner Stebbins?

9 COMMISSIONER STEBBINS: Aye.

10 CHAIRMAN CROSBY: Commissioner

11 Zuniga?

12 COMMISSIONER ZUNIGA: Aye.

13 CHAIRMAN CROSBY: Commissioner

14 Cameron?

15 COMMISSIONER CAMERON: Aye.

16 CHAIRMAN CROSBY: Commissioner

17 Crosby, aye. So, the motion passes.

18 Project work plan, item number three

19 the investigations procurement, Commissioner

20 Zuniga, do you want to take that?

21 COMMISSIONER ZUNIGA: Sure. As part

22 of the package, Director Glovsky included a

23 recommendation to select the consultant to assist

24 with the suitability investigations.

1                   The recommendation as noted in this  
2 memorandum is to award the contract to the joint  
3 proposal submitted by Spectrum and Michael & Carroll  
4 to conduct the investigations as noted and detailed  
5 in our RFR and the responses to that RFR.

6                   I can take any comments or questions if  
7 anybody has them. But overall, the joint response  
8 proved to be the most advantageous in terms of a  
9 combination of experience, approach, response and  
10 cost.

11                   CHAIRMAN CROSBY: Other reactions to  
12 the suggestion or to the memorandum?

13                   I will say, just sort of for the record,  
14 for Director Glovsky that I think it was a good  
15 decision. Although we did not have to do a  
16 competitive procurement, I think it was a good  
17 decision to do it. And as irritating as it can be  
18 to go through the long rigmarole of doing it, I think  
19 you conducted it well. And again, it was worth  
20 doing. So, I'm very satisfied with the outcome.

21                   And I think we still even with the  
22 process managed to get it done in a time -- We don't  
23 yet have anybody who has submitted paperwork for  
24 background checks. So, we will in fact be teed up

1 both with the IEB with Interim Director Cameron and  
2 with an investigative outsourcing team. So, it all  
3 worked out well. Thank you for orchestrating that.

4 Any other comments? Commissioner  
5 Cameron, did you have anything on this?

6 COMMISSIONER CAMERON: No. As you  
7 know, Mr. Chair, I was part of the team, the selection  
8 team and thought the process was very well done,  
9 professionally done and clear-cut results with this  
10 procurement.

11 CHAIRMAN CROSBY: Okay. Great. Do I  
12 have a motion, Commissioner Zuniga?

13 COMMISSIONER ZUNIGA: My  
14 recommendation is to in terms of can be structured  
15 as a motion to enter into a contract with the joint  
16 response. It's right here.

17 CHAIRMAN CROSBY: Yes. Why don't you  
18 just read that?

19 COMMISSIONER ZUNIGA: Yes. The  
20 recommendation is that the Gaming Commission accept  
21 the proposal submitted by Spectrum and Michael &  
22 Carroll and finalize contract and the detail scoping  
23 of services as described in their response to the  
24 investigations request for response.

1 CHAIRMAN CROSBY: Second?

2 COMMISSIONER STEBBINS: Second.

3 CHAIRMAN CROSBY: Any further

4 discussion? All in favor, Commissioner Stebbins?

5 COMMISSIONER STEBBINS: Aye.

6 CHAIRMAN CROSBY: Commissioner

7 Zuniga?

8 COMMISSIONER ZUNIGA: Aye.

9 CHAIRMAN CROSBY: Commissioner

10 Cameron?

11 COMMISSIONER CAMERON: Aye.

12 CHAIRMAN CROSBY: And Commissioner

13 Crosby, aye. So, that motion passes. Welcome

14 aboard wherever you are Michael & Carroll. Nice to

15 be working with you again.

16 COMMISSIONER ZUNIGA: And Spectrum.

17 CHAIRMAN CROSBY: Michael & Carroll

18 and Spectrum, sorry.

19 3B scope of licensing and RFA-1 status

20 update, do you want to sort of speak to that a little

21 bit during your report?

22 MS. GLOVSKY: Sure, that's fine.

23 CHAIRMAN CROSBY: Okay. Let's skip

24 to the key policy questions status report. I think

1 that's as much in my bailiwick as anybody. Are there  
2 any issues or questions or problems of what's been  
3 going on so far in just the work that's been being  
4 done?

5 COMMISSIONER ZUNIGA: I wanted to  
6 bring up perhaps for clarification for all of us a  
7 question relative to process. We are starting to  
8 receive some additional questions to the ones that  
9 we formulated in the matrix. Some of which could be  
10 very detailed in nature and others which could be a  
11 part of a larger question already existing.

12 And one question that I just wanted to  
13 pose at the team here really is we should think about  
14 a way to make the process efficient so that we're not  
15 repeating questions necessarily, but we are  
16 documenting those questions that have come in.

17 CHAIRMAN CROSBY: Well, we have this  
18 list.

19 COMMISSIONER ZUNIGA: Yes.

20 CHAIRMAN CROSBY: Is this the list  
21 you're referring to?

22 COMMISSIONER ZUNIGA: Yes, that's  
23 part of it. I am just thinking about additional that  
24 may come in later on. We can just document that they



1 came in but incorporate either because the question  
2 is already addressed somehow or an ongoing place in  
3 the matrix.

4 CHAIRMAN CROSBY: I was going to  
5 suggest that we go through each one of these and  
6 decide should this be an add-on or does it fit with  
7 something else or should we hold it because it does  
8 not really fit?

9 COMMISSIONER ZUNIGA: That would do  
10 it.

11 CHAIRMAN CROSBY: Okay. On item i  
12 consultant calls and hearing opportunities, I think  
13 we do have an opportunity, all of us, to talk with  
14 the consultant on Monday and get their advice on all  
15 of the questions that we've identified we want their  
16 feedback on.

17 There has been at least one suggestion.  
18 We said we should listen to the audience for  
19 suggestions about topics that maybe are so  
20 controversial or so important that there should be  
21 input beyond even the written input, maybe a hearing.  
22 And that we should hear from people if there are some  
23 that are hot like that or if we have suggestions.

24 And I think our Ombudsman has one

1 relative to surrounding communities. Why don't we  
2 just hold that until you come up here anyway for your  
3 report.

4                   The online submissions are coming in on  
5 contacts -- on suggestions, but I don't think that's  
6 been distributed yet. We'll wait until that is all  
7 in, which is next Friday, right? The comment period  
8 ends next Friday?

9                   MR. ZIEMBA: Tuesday, the 27th.

10                   CHAIRMAN CROSBY: Oh, Tuesday. Okay.  
11 In the packet, there are six questions that have come  
12 from various sources that are proposed as additional  
13 policy questions. And I'll just read them and then  
14 let's talk about them one by one.

15                   The first one is to address concerns  
16 regarding inappropriate pressures on casino  
17 operators. Does it make any sense to require  
18 applicants and licensees to disclose to the  
19 Commission any and all resumes, recommendations,  
20 referrals, requests for donations, etc. that they  
21 receive from any public official with failure to do  
22 so resulting in a very stiff penalty?

23                   This is more than a question, but I  
24 think you get the point. Are there reactions to this

1 one?

2 COMMISSIONER ZUNIGA: Should we try to  
3 discuss as to whether to incorporate whether or how  
4 to incorporate?

5 CHAIRMAN CROSBY: Yes. Should it be  
6 an additional question? Does it fit with some  
7 pre-existing question? Or should we not deal with  
8 it as a key policy question?

9 COMMISSIONER CAMERON: I think it's an  
10 important question. Obviously, someone's asking  
11 because there may be some pressure.

12 I would love to know how other  
13 jurisdictions handle this matter. So, I actually  
14 think it should be included. As we will speak to our  
15 consultants about a number of these policy questions,  
16 this is something we could speak about, I believe.

17 CHAIRMAN CROSBY: Yes. I agree. I  
18 think it's an interesting proposition. But I think  
19 it fits with some of the ones that we've already got  
20 going. Is it Commissioner McHugh who has questions  
21 that sort of relate to expanded ethics and related  
22 matters?

23 COMMISSIONER ZUNIGA: I don't know if  
24 that's a particular question, but I know he's been

1 working on the enhanced code of ethics.

2 CHAIRMAN CROSBY: It seems to me that  
3 this would be a good one to give to Commissioner  
4 McHugh. If it fits within some other question, fine.  
5 If not, he can just add it on and consider that topic.

6 COMMISSIONER STEBBINS: The question  
7 kind of builds off language in the statute that had  
8 some prohibition against applicants at least  
9 disclosing contributions during the application  
10 process. This looks like it as a policy matter  
11 carries it beyond that to when any of these applicants  
12 become potential licensees.

13 CHAIRMAN CROSBY: Yes, right  
14 applicants and licensees. Good point, I didn't  
15 notice that. Yes. So, we'll add this one on.  
16 Janice, if you could keep a note and just send these  
17 around to everybody.

18 Second one is should the Commission  
19 solicit feedback from potential bidders about their  
20 views on the impact of online gaming by the Lottery,  
21 the desirability of online gaming in their own  
22 facilities and their views of the likelihood of  
23 online gaming that we may need to be ready to  
24 regulate?

1                   My sense is that this isn't really a key  
2 policy question for the process. But it's  
3 definitely something that we would, given our role  
4 that we are playing in the Treasurer's Online Task  
5 Force, that this would be very interesting to know  
6 from people. Because I think this is a place where  
7 our interests may be congruent with the potential  
8 operators. And we want their advice on how to deal  
9 with this.

10                   COMMISSIONER ZUNIGA: I would agree.  
11 And I would add perhaps a timing notion to this  
12 question at the end perhaps to say if so, when.  
13 Because the timing of this may be a key policy  
14 consideration as well.

15                   CHAIRMAN CROSBY: Because of the task  
16 force report?

17                   COMMISSIONER ZUNIGA: Or the award of  
18 licenses for one. But the way it's written, it looks  
19 open-ended. It would invite -- At least we should  
20 think about when we should try to address this.

21                   CHAIRMAN CROSBY: It's short notice,  
22 but I would say it would useful for us to know this  
23 prior to the next task force meeting, which is  
24 December 10, right?

1 COMMISSIONER ZUNIGA: That's correct.

2 CHAIRMAN CROSBY: It doesn't really  
3 relate to the licensing process.

4 COMMISSIONER ZUNIGA: No, it does not.

5 CHAIRMAN CROSBY: Right. Okay. So,  
6 I think that is something -- Maybe this is something,  
7 Elaine, we could put up on the website or we could  
8 send out. Or you all who are representing bidders,  
9 this whole controversy about to Reid-Kyl Bill about  
10 whether we should have online gaming with the  
11 Lottery. Whether we are going to be at a  
12 disadvantage with Nevada. Whether it would be good  
13 for us to get into online gaming of some sort.

14 Those are all things that a lot of the  
15 bidders know more about than we do. And we would  
16 really like -- I think we would like their advice on  
17 what kinds of positions we should be taking and what  
18 kinds of issues we should be seeing and raising.

19 So, if anything we can to get feedback  
20 on that point as soon as possible from anybody that  
21 would be useful. But it's not a key policy question  
22 for purposes of this topic.

23 COMMISSIONER ZUNIGA: Perhaps we may  
24 be speaking about the same thing here, but to the

1 extent that online products decrease the value of the  
2 gaming license, decrease or increase or affect  
3 perhaps, it's incumbent upon us to consider.

4                   CHAIRMAN CROSBY: Yes. Right. Yes,  
5 that's one issue for our audience. We don't have any  
6 online gaming in Massachusetts yet. And it's a  
7 question of whether we ever will.

8                   But one question has been whether the  
9 availability of online gaming structured any of a  
10 number of different ways has an impact on the value  
11 of our licenses? Does it enhance the licenses?  
12 Does it degrade the license's value, etc.? So, any  
13 input anybody has on that would be much appreciated.

14                   Okay. Number three, would you require  
15 or request that a prospective casino developer invest  
16 in the infrastructure when it comes to public  
17 transit? The Pioneer Valley Transit Authority is  
18 the primary transit system that serves the area where  
19 all four developers are vying for the Western Mass.  
20 casino license.

21                   What do you think about that?

22                   COMMISSIONER CAMERON: If I can speak  
23 to this. I think that will be part of the overall  
24 second phase is what are the issues. How are people

1 going to get to the facility? Have they been  
2 addressed? So, I think we would be looking for those  
3 comparisons and that would be part of something when  
4 we look at the overall second phase is if this matter  
5 has been addressed. I don't know that we should  
6 mandate, because that would be dependent on where the  
7 facility is.

8 I think all different facilities will  
9 have different transportation issues or rather  
10 different applications will have different  
11 transportation issues. And we would be looking for  
12 the issue to be addressed, but I don't know that it's  
13 something we should mandate.

14 CHAIRMAN CROSBY: Right.

15 COMMISSIONER ZUNIGA: I also see this  
16 perhaps as one small subset of a larger question or  
17 big pocket that comes under the mitigation agreements  
18 that will start at the local level. They're  
19 highlighting transportation here and that's very  
20 relevant. But there's other aspects that come under  
21 the mitigation conversation that starts at the local  
22 level.

23 CHAIRMAN CROSBY: Right. Right. I  
24 agree with that. So, I think the legislation refers



1 to public transit and transportation mitigation in  
2 general.

3 COMMISSIONER STEBBINS: Section 18  
4 has some criteria about what your positive impact  
5 could be and the use or taking advantage of mass  
6 transit.

7 CHAIRMAN CROSBY: Right, we'll  
8 already have that --

9 COMMISSIONER STEBBINS: But the  
10 question, I think, to Commissioner Cameron's point  
11 looks more like a request that they need to do it  
12 regardless. And it seems that it would be more  
13 germane to the actual applicant. Is it a mitigation  
14 question or is it something that they planned  
15 investing as a way to bolster their application.

16 CHAIRMAN CROSBY: I agree. This  
17 raises to me the point we've made frequently to  
18 surrounding communities, host communities, RPAs and  
19 RTAs, which is you are the first point of negotiation.

20 If PVTA wants to talk with the RPA, with  
21 the Pioneer Valley RPA and with the local  
22 communities, they ought to be talking to the  
23 developers if they think transit ought to be part of  
24 the mitigation agreement exactly as you're saying.

1                   So, I think it's important that we keep  
2 saying to the regional organizations and to the  
3 communities, hey, don't just rely on us. You've got  
4 the first bite at the apple. And you're the ones who  
5 ought to be talking about these issues before it ever  
6 gets to us. And then we have our own mechanism  
7 already in place that's already in the law to address  
8 this. So, I think this we decide not to add.

9                   Fourth is what regulations, criteria  
10 and other requirements should the Commission  
11 consider to insure that a preventative approach is  
12 taken to work-related injuries and the casino  
13 workplace safety is maximized?

14                   I think this one is too granular also.  
15 There'll be plenty of opportunity when we're -- this  
16 is almost Phase III regs, not even regs relative to  
17 the choice of the applicant. But when we are  
18 regulating the workplace, there will be plenty of  
19 opportunities for these issues to be raised. There  
20 will be public hearings on these issues. So, my  
21 sense is this is way too granular an issue at this  
22 stage of the game, but I'm open for other thoughts.

23                   COMMISSIONER STEBBINS: I guess  
24 before I completely think about it in that third

1 phase, to see if other jurisdictions have somehow  
2 used this in their evaluation criteria. A lot of the  
3 information we're asking an applicant for is about  
4 the jobs they're going to provide, the salaries, the  
5 skill levels, etc. And do we consider somewhere in  
6 that application -- As part of an applicant's over  
7 our HR policy is what is your policy on providing a  
8 safe workplace environment? That may be too broad  
9 to have fit into this question.

10 CHAIRMAN CROSBY: Right. It seems to  
11 me that the criteria that we're going to look at are  
12 criteria that are going to be variable criteria.

13 How many jobs? How much revenue?  
14 What kind of design? How much sustainability? How  
15 is your transit mitigation -- traffic mitigation?  
16 But this one is one that we are probably -- we are  
17 just going to lay out a rule.

18 We are going to say we are going to  
19 mandate standard X for whatever our role is. I don't  
20 know what our role is, but whatever our role is, we  
21 are simply going to say to everybody if you're going  
22 to operate in Massachusetts, you are going to conform  
23 to certain standards and certain rules. And it  
24 doesn't seem to me -- It's not a variable. They're

1 going to all have to meet what we consider to be a  
2 minimum standard.

3 COMMISSIONER STEBBINS: It may just  
4 prove easy enough to get an answer to by asking our  
5 consultants when do other jurisdictions usually take  
6 up these types of regulations. And I think it will  
7 come back to your answer after a license has been  
8 awarded as kind of a third step in the process.

9 CHAIRMAN CROSBY: Eileen maybe you  
10 could take that and just run that by them. And if  
11 we're understanding this wrong that somehow it ought  
12 to be moved up in the process, let us know.

13 Fifth, when should the regulation  
14 regarding dealer tips as specified in section of the  
15 General Laws be issued and what should those  
16 regulations contain? Commissioner Cameron?

17 COMMISSIONER CAMERON: The kinds of  
18 questions I have, I have a lot of the operations on  
19 the floor. And this is really a question of the right  
20 form, the right education and the right relationships  
21 with regard to dealer tips.

22 So, I don't know that this rises to  
23 another specific policy question. It is in line with  
24 several questions about operations. This would be

1 kind of an enforcement investigations area. It's  
2 something we will be dealing with.

3           Again, it's a best practice. And we  
4 started to learn a lot of these best practices from  
5 other jurisdictions. I know I had conversations  
6 about this in Singapore.

7           So, I don't know that this is a specific  
8 question that we need to put on the list. It is  
9 something we are mandated to pay attention to. What  
10 we will be doing is developing a form and a process.  
11 And that will be what is working best somewhere else  
12 and we'll incorporate it here.

13           CHAIRMAN CROSBY: It sounds like --  
14 I'm not familiar with this section. But it sounds  
15 like the law says something about this. What it says  
16 is I'm guessing it probably requires that tips be  
17 pooled or management not use them or something like  
18 that. And we just simply need to implement regs to  
19 make that happen.

20           Again, I agree with you, Commissioner,  
21 that that's way too granular for us to deal with now.  
22 I don't know where the regs are -- when those regs  
23 will be issued but it's not a key policy question that  
24 we need to advance now in order that developers to

1 know about it or that it informs the key licensing  
2 decisions.

3 COMMISSIONER CAMERON: Correct.

4 CHAIRMAN CROSBY: So, let's say a no on  
5 that one. And number six, should we consider a rule  
6 or a policy that prohibits public entities from  
7 either becoming applicants or financing an applicant  
8 or becoming a partial applicant, I'm sure would be  
9 included?

10 This comes up, as you know or maybe you  
11 don't, because apparently in Philadelphia one of the  
12 bidders has proposed to make the school system and/or  
13 the something else, some other public agency, housing  
14 authority or something, at least a de facto owner,  
15 a beneficial owner if not actually a literal owner  
16 of part of the facility.

17 I think it was sort of like a  
18 profit-sharing deal where the casino would take some  
19 of the profits -- If they get picked by Philadelphia,  
20 they would get some of the profits and the rest of  
21 the profits would go to the school system or  
22 something. And there was an outcry in Philadelphia  
23 and Pennsylvania as to whether this was appropriate.  
24 And nobody had talked about it.

1                   I think it's pretty unlikely that this  
2 is going to happen. I don't even know if it could  
3 happen under our rules, under our law as it stands.  
4 But it is kind of an interesting question and maybe  
5 it's something maybe that we ought to shovel to  
6 Commissioner McHugh. Maybe it's irrelevant. Maybe  
7 it can't be done because of the way our law is written  
8 anyway or some other existing law.

9                   But I suppose if it is legal and  
10 innovative -- if I were developer, I might consider  
11 trying to cut in some of the significant public policy  
12 institutions to get a share of the proceeds to make  
13 my proposal attractive. It's not a crazy idea. So,  
14 maybe we should --

15                   COMMISSIONER ZUNIGA: I'm curious.  
16 Would that public entity be an investor upfront or  
17 was it in Philadelphia?

18                   CHAIRMAN CROSBY: I am not even sure it  
19 was a literal owner. It was a beneficial owner.

20                   COMMISSIONER ZUNIGA: Beneficial  
21 owner.

22                   CHAIRMAN CROSBY: Right. I don't  
23 know whether they were literal owners and I don't  
24 think -- No, the one I saw in Philadelphia, whoever

1 it was, was putting up all the money. So, the public  
2 entity was not investing. The private developer --  
3 the private entity was putting up all of the money.

4 So, I think it's worth looking at.  
5 Does anybody else?

6 COMMISSIONER STEBBINS: I wasn't  
7 quite sure whether the person proposing this question  
8 was talking about a public entity being a  
9 governmental body or a public entity meaning a  
10 publicly traded company. Initially, I was somewhat  
11 confused on that.

12 CHAIRMAN CROSBY: Oh, okay.

13 COMMISSIONER STEBBINS: The statute  
14 clearly says that casino operations in some respects  
15 are not eligible for a lot of the economic development  
16 tax credits, tax increment finance plans that are  
17 made available to communities. So, it sounds like  
18 there's an interest at least in the spirit of the  
19 legislation to exclude the public body from even  
20 being able to offer support.

21 So, I don't know how it would measure  
22 up considering a public body to be an applicant. It  
23 seemed to be across purposes, but it doesn't hurt to  
24 at least vet the question.



1                   CHAIRMAN CROSBY: Right. Let's add  
2 in there beneficial owner or owner/beneficiary in any  
3 direct way and give that question to Commissioner  
4 McHugh also. Anything on additional policy  
5 questions?

6                   All right. We are to item number four,  
7 Director Glovsky? Eileen Glovsky, our Director of  
8 Administration.

9                   MS. GLOVSKY: So, within the context  
10 of talking about the scope of licensing, our  
11 consultants provided sort of an update and I'll give  
12 you an outline of it.

13                  CHAIRMAN CROSBY: Can you hear okay,  
14 Commissioner Cameron?

15                  COMMISSIONER CAMERON: Yes, I can  
16 hear. Thank you.

17                  CHAIRMAN CROSBY: Okay.

18                  MS. GLOVSKY: I think one of the things  
19 that they wanted to highlight is that the Gaming  
20 Commission is fully prepared to accept Phase I  
21 applications from prospective gaming operators,  
22 particularly in light of the vote taken today by the  
23 Commission for the investigations piece of it.

24                  Over the past two weeks, they have had

1 meetings and phone calls with prospective applicants  
2 talking about the scope of licensing. As a result  
3 of those conversations, applicants were asked to  
4 submit any potential waivers that they would be  
5 asking for by November 16 as well as a list of entities  
6 and individuals that they did believe would be  
7 subject to the investigations.

8                   We've gotten a number of letters that  
9 are being forwarded to the consultants for their  
10 review. Responses are expected to go out by November  
11 30. These aren't hard and fast deadlines, but we  
12 have asked everybody to get them to us as soon as  
13 possible.

14                   Clearly, Phase I applications should  
15 come in as soon as possible after the scope of  
16 licensing has been done but they are required no later  
17 than January 15.

18                   Investigative teams are in the process  
19 of being put together. Teams all consist of  
20 contracted gaming investigation specialists  
21 including investigators, attorneys, financial  
22 experts, investigators from the Massachusetts State  
23 Police and representatives of the Investigations  
24 Bureau, particularly Interim Director Cameron.

1 I think it's important and we've talked  
2 about it before, but as we move into this part of it  
3 and it is also shown on our project work plan is that  
4 the precise duration of these investigations is  
5 really impossible for anybody to predict at this  
6 point in time. I think we've given it six to nine  
7 months. The intent is to get them done as quickly  
8 but as completely as possible. And this is critical  
9 for us to do.

10 And the timely conclusion of it really  
11 depends on how complex the structure is, how easy it  
12 is to get information from both the applicant and  
13 people who are going to provide information on the  
14 applicant as well.

15 But I think when people look at our  
16 project work plan, one of the biggest lines in there  
17 is the background investigations. And that we can't  
18 really move forward with -- We will be running in  
19 parallel with developing RFA-2 but a big part of the  
20 process is getting these investigations done.

21 CHAIRMAN CROSBY: Right. I want to  
22 emphasize that for the audience that from the day of  
23 -- from the beginning of our operations in  
24 March/April of this year to the time the licenses we

1 are projecting to award, which is March/February of  
2 '13, -- no, of '14, sorry, is a little less than two  
3 years, almost exactly two years from the time of our  
4 inception to the time of awarding the licenses. Of  
5 that two-year period, one year we are allocating for  
6 background checks. Three months to fill the  
7 background forms out. Six months to do the  
8 investigations and a potential three months for  
9 debate, hearings, final decisions by the Commission,  
10 reconciliation when there is a difference of opinion  
11 with the company and so forth.

12                   So, a year of our slightly less than two  
13 years for the licensing process is background checks.  
14 And I think that's an important point for everybody  
15 to be aware of.

16                   But the good news is that we are on it  
17 now and anytime if the paperwork comes in a month  
18 sooner than 90 days that saves a month. If there  
19 aren't any serious problems that will save a lot of  
20 time as you say and so forth. I think it's an  
21 important point for people to be aware of.

22                   MS. GLOVSKY: And then really the only  
23 other piece was the project management chart, which  
24 is in your packet. I feel that this chart at this

1 particular point in time is ready for us to do sort  
2 of monthly updates. So, with the permission of the  
3 Commission, I'd like to actually have a multimedia  
4 presentation next week presenting so that we can show  
5 where this is.

6 We are starting to meet every Monday  
7 and really just look at what are the tasks that are  
8 coming. And are any tasks sliding? Are there  
9 things that are going faster? And we have sort of  
10 a collection of all those.

11 But I think that it's appropriate at  
12 this point in time to do a monthly update that's a  
13 little bit more than just handing out the sheet to  
14 talk about how we are using the project work plan as  
15 we move forwards.

16 CHAIRMAN CROSBY: I think that's a  
17 great idea. And it's a great device and as you said  
18 we started this week using it. And I think even when  
19 you highlight a period like you have in yellow that  
20 shows the target period that we then go through.  
21 It's a very helpful tool. I agree. I think it would  
22 be great to put it on the agenda for next week so  
23 everybody can see it.

24 MS. GLOVSKY: That's really all I have

1 to report on. Are there any questions from the  
2 Commission?

3 CHAIRMAN CROSBY: I don't think so.  
4 Commissioner Cameron, anything?

5 COMMISSIONER CAMERON: No, no  
6 questions on that report.

7 MS. GLOVSKY: Thank you.

8 CHAIRMAN CROSBY: Thank you. 4B is  
9 personnel searches. I think the only one I just want  
10 to report on, we do have a draft job description from  
11 Commissioner Stebbins on the Director of Local  
12 Suppliers and Workforce Development. I haven't even  
13 read it yet, but I will and we'll circulate that.

14 And we've made a pretty strong  
15 tentative decision to get that in circulation after  
16 Commissioner Stebbins had -- We had our meeting last  
17 week realizing that the workforce development role  
18 is a little more complicated than we might have  
19 thought. So, I think we are going to try to move on  
20 that one pretty quickly. Anyone else?

21 COMMISSIONER ZUNIGA: What is the  
22 title of the --

23 CHAIRMAN CROSBY: I just made it up.

24 COMMISSIONER ZUNIGA: That's why I

1 hadn't heard it before.

2                   COMMISSIONER STEBBINS: I don't have  
3 the draft in front of me. I think we called it  
4 Director of Workforce and Supplier Development and  
5 Diversity Initiatives.

6                   CHAIRMAN CROSBY: Right. The roles  
7 are to make sure that we've done everything we can  
8 possibly do to have local businesses be ready to do  
9 business for the casinos - A. And B - that our local  
10 workforce is developed to the maximum extent possible  
11 so local employees are ready to go to work for the  
12 casinos. That's the primary. And within those two,  
13 to make sure that the diversity of that supplier base  
14 and workforce is absolutely optimized. So, that's  
15 the job description.

16                   COMMISSIONER ZUNIGA: Got it.

17                   CHAIRMAN CROSBY: The only other thing  
18 on this that just came up recently and I just want  
19 to mention it to everybody, we have posted our Racing  
20 Commission jobs. And it has been noted that they are  
21 projected to be hired as employees at-will.

22                   And I want to be clear that we  
23 understand that we are not exempt from the  
24 Massachusetts statute that presumes that our

1 employees will be unionized. That's our  
2 anticipation too, although we're working this way  
3 through.

4                   We've talked with HRD about it. We've  
5 talked with the unions, many of the relevant unions.  
6 We still, I think, are doing some research to make  
7 sure we understand what other jurisdictions do, if  
8 anything, that is different other than normal  
9 customary union rules.

10                   But that we would expect to formalize  
11 our relationships. The at-will proposition for the  
12 time being is an interim proposition until we get  
13 ourselves organized. And we have so few employees,  
14 we just haven't gotten around to addressing this  
15 issue yet.

16                   But it has been raised to me and I  
17 wanted to just make sure everybody knew we were aware  
18 of it. And make sure that Director Driscoll and  
19 Commissioner Zuniga have it on their list to make sure  
20 that there aren't any best practice issues or  
21 security issues or whatever that we need to be  
22 sensitive to as we operate under the presumption of  
23 unionizing our workforce. Okay. That's it for that  
24 one.



1                   Item five, a report from the Director  
2 of the Racing Division. Director Durenberger is --

3                   COMMISSIONER CAMERON: Mr. Chair, I  
4 will be giving that report in her absence.

5                   CHAIRMAN CROSBY: Okay. Great.

6                   COMMISSIONER CAMERON: Director  
7 Durenberger is out at a previous scheduled  
8 appointment at Tufts University Veterinarian School  
9 of which the school does receive funding as per  
10 Chapter 128A Section 5. And there is a small  
11 percentage that the tracks' live racing pay to the  
12 school for equine research scholarships and loans.  
13 So, the Director is out there today working on those  
14 issues and getting a better understanding of where  
15 we are with those issues.

16                   In her absence, Mr. Chair, you just  
17 mentioned the job postings. They are on our website  
18 and all the other relevant Commonwealth websites as  
19 well as industry sites. A review has begun for  
20 seasonal employees and their contracts to determine  
21 our agency needs for next year.

22                   The Director is also working on  
23 document retention requirements for State Racing  
24 Commission documents or the former State Racing

1 Commission now Gaming Commission Racing Division  
2 records.

3                   And the staff will be out on Monday to  
4 the laboratory to finalize the plans for disposal of  
5 equipment and materials. And we anticipate that  
6 final vote on Tuesday of closing that facility, but  
7 just needed to get a few plan in place to make sure  
8 we were on solid ground before voting on that issue.  
9 So, that's my report, Mr. Chair.

10                   CHAIRMAN CROSBY: Thank you. And I  
11 sat in on part of the meeting yesterday with -- What's  
12 the group called?

13                   COMMISSIONER CAMERON: It's the  
14 working group. And I don't think it has another name  
15 other than that. But it is the working group.

16                   What they are doing is they are  
17 studying -- As we have outlined, we will be following  
18 the model rules of racing. This is the group that  
19 will look at all those rules and how to best implement  
20 them here. What the challenges may be and what team  
21 do we need to put in place. All of the stakeholders,  
22 as you saw, Mr. Chair, were invited to that meeting.  
23 And I got the report that they made good progress and  
24 had great conversations around implementing model

1 rules.

2 CHAIRMAN CROSBY: It's the task force  
3 that's basically taking the consultant report, the  
4 whole schedule of new practices and reforms and best  
5 practices and talking them through and implementing  
6 them.

7 And I was there for about an hour and  
8 it was really interesting how horsemen, tracks,  
9 veterinarians, regulators, there's a pretty clear  
10 consensus that adopting these practices -- First of  
11 all, there's a huge consensus that standardizing from  
12 one track to another, from one jurisdiction to  
13 another is an enormous asset. When trainers are  
14 trying to adjust to different standards in every  
15 track, it's obviously a nightmare.

16 But also in terms of protecting horses,  
17 in terms of minimizing the amounts of drugs used and  
18 so forth, there seemed to be a lot of broad consensus.  
19 And it was a pleasure being there with Director  
20 Durenberger who really understands what she's  
21 talking about and understands the business. So,  
22 that was a good thing.

23 COMMISSIONER ZUNIGA: I have a  
24 question. Are there any discussions in this working

1 group that would be relevant for the recommendations  
2 that are due to the Legislature at the end of the year?

3 CHAIRMAN CROSBY: The two groups  
4 overlap quite a bit. So, if there are, I'm sure they  
5 would see them. Commissioner Cameron, do you have  
6 anything else to say about that?

7 COMMISSIONER CAMERON: No. I know  
8 that Mr. Murray is contacting all of the appropriate  
9 stakeholders when it comes to evaluating a particular  
10 issue around simulcasting, the wagering, all of those  
11 recommendations that are due to the Legislature by  
12 the first of the year. So, I know he's reaching out.  
13 And I know he is in constant contact with Director  
14 Durenberger.

15 So, I believe there will be good  
16 synergy between the two groups and the appropriate  
17 information will be transferred.

18 COMMISSIONER ZUNIGA: Okay.

19 CHAIRMAN CROSBY: Yes. I think  
20 that's right. Okay. Anything else on Racing  
21 Division?

22 Item six public education and  
23 information, Mr. Ombudsman?

24 MR. ZIEMBA: Thank you, Mr. Chairman.

1 Over the last week, we've been focusing on continuing  
2 our outreach activities to communities, applicants,  
3 regional planning agencies and other interested  
4 parties.

5                   Because of the questions regarding  
6 surrounding communities, host communities and other  
7 policy questions that would impact local  
8 communities, we decided to send out some enhanced  
9 notice to potential host and surrounding  
10 communities. Over this last week, we made contacts  
11 in over 50 communities and over 180 contacts were  
12 made.

13                   What we were trying to do with those  
14 contacts would be to highlight that the website  
15 should be a primary focus of people who want to get  
16 updated information about the Commission. But most  
17 importantly, we were asking for people to focus on  
18 the policy questions that the Commission will be  
19 taking a look at in December.

20                   We sent our notices to all potential  
21 host communities and geographically adjacent  
22 communities. We thought that that was a fairly good  
23 rule, a universe of contacts for the purposes of  
24 notice. We intentionally did not try to make any

1 determinations of what may be a host or a surrounding  
2 community under the purposes of the law because that  
3 will be decided by the Commission in December. But  
4 that seemed to be a reasonable grouping of  
5 communities to provide enhanced notice to.

6           We continue to work on the advisory to  
7 host and surrounding communities. We think that it  
8 needs an update, especially since our schedule has  
9 switched as recently identified in this meeting.  
10 And we're hoping that that will go out in the next  
11 couple of weeks. I hope to have a draft to you very  
12 shortly.

13           Together with that advisory, we are  
14 also hoping for more discernible procedures for host  
15 and surrounding communities to make applications for  
16 the portion of the application fees that might be  
17 attributable to host and surrounding communities.

18           We've been in contact with applicants,  
19 regional planning agencies, cities and towns, the  
20 Mass. Municipal Association as further outreach of  
21 what is going to be going on in the next month and  
22 obviously over the next year or so.

23           I'd like to focus most of my remarks  
24 today on the role of regional planning agencies in

1 this process. I know that the Commission has spent  
2 a good amount of time working with the regional  
3 planning agencies on general policy questions.

4           You had a very successful mitigation  
5 forum back in June where a number of regional planning  
6 agencies provided input on what the role should be  
7 for host and surrounding communities and a lot of good  
8 ideas were put forward in that meeting.

9           But as we coming close to the  
10 application deadline, there are a number of questions  
11 that we are starting to get from both host communities  
12 and surrounding communities. And I think that my  
13 recommendation to you is that potentially we should  
14 explore a more formal role for the regional planning  
15 agencies in addressing some of these questions.

16           We've had conversations with the  
17 regional planning agencies, as I mentioned over the  
18 last couple of weeks, asking them what their input  
19 should be, what skills they bring to the table and  
20 what resources they bring to the table. And I think  
21 that there is a good level of excitement about  
22 potentially being able to help resolve issues at a  
23 local level or help develop a process at a local level  
24 so that greater issues do not come about in the

1 future.

2                   We, obviously, have the processes that  
3 we are going to identify for what our host and  
4 surrounding communities and how those questions  
5 surface to the Commission after the applicants work  
6 with those communities over a course of months during  
7 the application period. But it's my thought that  
8 potentially regional planning agencies could be very  
9 useful in avoiding controversies that may not  
10 necessarily need to come about. Through focus on  
11 planning to providing of objective research and for  
12 potential use of resource of agencies.

13                   One of the tricky issues that I know  
14 that we've explored in the past is how do both host  
15 communities and more perplexingly how do surrounding  
16 communities get access to the resources that they  
17 would deem necessary to truly evaluate the impact of  
18 gaming facilities on their communities.

19                   And from an applicant point of view, it  
20 also is equally probably perplexing of how do they  
21 assist communities in evaluating some of these  
22 questions when in reality there is a total use of  
23 dollars and funding that would be available in any  
24 one period. How do they use those most effectively



1 in terms of studies that may need to be completed and  
2 just general knowledge.

3                   So, it's my recommendation to you that  
4 we, over the next couple of weeks explore a more  
5 formalized basis of working with regional planning  
6 agencies now even before we enter into the  
7 application process and even before we get into the  
8 second phase application process. And that role I  
9 think would be sort of distinct from the role that  
10 regional planning agencies would play after all of  
11 the licenses are up and going.

12                   We've also had discussions with a  
13 number of folks about what happens with community  
14 mitigation advisory committees, the local community  
15 mitigation advisory committees. And unfortunately,  
16 there's a little bit of a timing problem where a lot  
17 of these questions are being looked at right now but  
18 necessarily those advisory committees would be  
19 formed once the licensees and once the areas where  
20 gaming facilities would be sited would be determined.

21                   So, at least the thought here would be  
22 that we might want to consider something a little bit  
23 more formal. I don't know what that would be, how  
24 it would work, what resources would be needed. Would

1 there need to be some sort of a -- What role the  
2 Commission would need to formalize that process?  
3 Would it be an MOU?

4                   But I think a lot of these  
5 conversations would be very useful to occur now  
6 especially as the rubber's hitting the road on the  
7 license application process.

8                   COMMISSIONER ZUNIGA: On that note,  
9 we're really talking about perhaps three regional  
10 planning agencies, just given the geography set forth  
11 by the legislation. There is not really an overlap  
12 or a void, if you will.

13                   CHAIRMAN CROSBY: There's a little bit  
14 of an overlap in Southeastern Mass.

15                   COMMISSIONER ZUNIGA: Oh,  
16 Southeastern. But one positive aspect that I see is  
17 that those conversations that you allude to could  
18 very well happen with two, three or perhaps four  
19 entities as opposed however many there are. I think  
20 there's nine or 10.

21                   CHAIRMAN CROSBY: Right.

22                   COMMISSIONER STEBBINS: I think it's  
23 helpful. As I shared with John, we have an early  
24 conversation -- I at least did. -- with one of the

1 regional planning agencies talking about their role  
2 official or otherwise in the MEPA process. And kind  
3 of looking at what agreement paperwork or MOUs that  
4 establish that relationship I think would be  
5 potentially a helpful model for us to at least follow.

6 Obviously, there is a resource  
7 question at the end of all of this. But they have  
8 that relationship structured with MEPA. It might be  
9 a model to look at for us to follow that same path  
10 because getting their input, either formally or  
11 informally is going to happen one way or another. I  
12 prefer to have a formal relationship.

13 MR. ZIEMBA: Right. And in terms of  
14 the different regions, even though the regional  
15 planning agencies can engage in sort of a similar  
16 function in each one of those identified regions,  
17 there may indeed be differences in each one of the  
18 regions depending on where the host site may be and  
19 the capabilities of the host communities and some of  
20 the surrounding communities.

21 But over the course of this  
22 investigation that's something that we would take a  
23 look at. What role would they play in each one of  
24 the regions and what role would they play across all

1 regions.

2 COMMISSIONER STEBBINS: Is there any  
3 chance that a planning agency could be contacted by  
4 a potential operator or applicant, again, kind of  
5 asking their opinion on areas of traffic concern,  
6 things like that?

7 It would be helpful that any RPAs that  
8 we did have a relationship with kind of -- I don't  
9 want to say divulge that information, but at least  
10 say we've had inquiries and this is what we told them  
11 or whatever information we shared back and forth with  
12 a potential operator. That's a source they reach out  
13 to.

14 MR. ZIEMBA: Yes. We could certainly  
15 find that out. In general, that is really the  
16 function of the regional planning agencies. They  
17 should be having these conversations with these  
18 projects of regional significance and evaluating  
19 what they may be. And as you mentioned, regional  
20 planning agencies play a pretty critical role in the  
21 MEPA process. So, that's part of the work that they  
22 do.

23 CHAIRMAN CROSBY: Your suggestion is  
24 that you take the lead on structuring a proposal?

1 MR. ZIEMBA: Correct.

2 CHAIRMAN CROSBY: Do you want to have  
3 them or do you know yet do you want to have them come  
4 in and talk to us about it or --

5 MR. ZIEMBA: I think so. I've had a  
6 few conversations, initial conversations. And I'm  
7 meeting or so in the week or so. But I think that  
8 the conversation goes across multiple different  
9 levels in the regional planning agencies but also the  
10 applicants on how they envision their conversations  
11 will go.

12 Frankly, a part of the equation would  
13 be what resources would be necessary to take a look  
14 at this enhanced role? What would that entail?  
15 What studies would need to be done by the surrounding  
16 communities? What existing studies are being done  
17 by the host communities? How does that flesh within  
18 that overall context?

19 So yes, I think that it probably makes  
20 sense for us after that initial period to bring in  
21 the regional planning agencies and ask them for more  
22 input. And maybe that would be something for a full  
23 discussion by the Commission.

24 We'll try to figure out how that works

1 within the timetable that we've identified for early  
2 December. But obviously, the earlier the better  
3 because communities are asking questions right now.  
4 Hey, how best do I start evaluating what's happening?  
5 And that is another tool that the Commission is taking  
6 a look at for a long time. And if we have more of  
7 a formal role for them, perhaps that it's something  
8 we'd be more readily be able to point to for local  
9 and host communities.

10 CHAIRMAN CROSBY: Right. So, we'll  
11 follow your lead on that. If you want to have them  
12 come in, say so and we'll make it happen. But it's  
13 up to you. So, I think it's a good idea. So, the ball  
14 is in your court to flesh that out.

15 MR. ZIEMBA: Okay. That sounds  
16 great.

17 CHAIRMAN CROSBY: On the surrounding  
18 community issue, you and I have talked about whether  
19 we ought to do something on the issue of how would  
20 we define surrounding communities.

21 MR. ZIEMBA: Right.

22 CHAIRMAN CROSBY: That we might want  
23 to do something more than having the written comment  
24 period.

1 MR. ZIEMBA: Right.

2 CHAIRMAN CROSBY: Do you want to  
3 expound on that?

4 MR. ZIEMBA: Sure. At the last  
5 Commission meeting we talked about which issues would  
6 require more input. And I think we said during that  
7 week we would pinpoint some issues that need further  
8 public hearings with the knowledge that a lot of  
9 issues will be run through the second regulation  
10 public hearing process.

11 Now this particular issue, because of  
12 the need for input quickly, even if it is in the second  
13 phase of the regulations, we may want to get further  
14 input in advance of the public hearing process for  
15 the second phase of the regulations.

16 The way that I look at it right now,  
17 we'll be getting comments in by the 27th, by next  
18 week. Over the course of the next couple of weeks,  
19 we will explore that more fully. The Commission will  
20 debate the week of the 10th to the 14th about those  
21 positions. If we're successful, we might come up  
22 with at least somewhat of a standard for how to look  
23 at host and surrounding communities within the  
24 Commission.

1                   But necessarily whatever standard we  
2 come up with will have such wide range impact that  
3 it would be wise to probably go out and ask for further  
4 input upon whatever standard we develop or come close  
5 to developing during that period.

6                   So, after that week of the 14th, I would  
7 suggest that maybe we have a public hearing or a  
8 Commission meeting dedicated to that particular  
9 question where we get more input on that matter.

10                  CHAIRMAN CROSBY: After the 14th?

11                  MR. ZIEMBA: Yes, because even though  
12 we may get the comments, people are just commenting  
13 in general about the issue. And if there's no  
14 specific standard, we may not get anything closer  
15 than more generalized comments.

16                  We've been really asking people for  
17 real serious input about what the standard would be,  
18 but I think there will probably be a need after we  
19 come up with a standard.

20                  CHAIRMAN CROSBY: So, on at least that  
21 issue, it would be a tentative decision or an interim  
22 decision subject to getting feedback.

23                  MR. ZIEMBA: Correct.

24                  CHAIRMAN CROSBY: Sort of like a



1 proposed reg that we get a hearing on?

2 MR. ZIEMBA: Correct, because that one  
3 in the process of putting together our policy  
4 recommendation, we'd be taking a look at all of the  
5 various standards that exist out there that could  
6 help us formulate our position.

7 And there is no one single standard  
8 that I think that we could utilize for what we  
9 eventually come up with. So, necessarily because  
10 it'll be so new and it could have such far-ranging  
11 impacts, I suggest that we have that further process.

12 CHAIRMAN CROSBY: Okay. That's  
13 interesting. I hadn't thought of that. I guess  
14 that's something we can do. That's not a bad way.  
15 It extends things a little bit, but extends the  
16 timeline but that's not a bad way to deal with other  
17 issues too that we -- Because you're right, it's  
18 easier for people to react to something that's  
19 specific rather than sort of abstract. So, that's  
20 worth thinking about. Okay.

21 We've heard a couple of places that  
22 there's a lot of interest among legislators in the  
23 surrounding community issue for obvious reasons.  
24 And I didn't think about this before, but I think it

1 would be a good idea to have a letter come from you  
2 to the reps and senators that goes up to the mailboxes  
3 in the State House saying that we are looking at this  
4 and inviting comment.

5 We've sent letters up there before  
6 announcing meetings and stuff. So, we know how to  
7 do it. If you could just draft a letter, we could  
8 get it out to everybody soon and know we are  
9 interested in their suggestions.

10 MR. ZIEMBA: Great. I can do that.

11 CHAIRMAN CROSBY: Go ahead.

12 COMMISSIONER ZUNIGA: And perhaps as  
13 part of that a brief summary of where we are in the  
14 process, you know, could be helpful.

15 CHAIRMAN CROSBY: Where we are in the  
16 licensing process?

17 COMMISSIONER ZUNIGA: In the  
18 licensing process --

19 CHAIRMAN CROSBY: That's probably a  
20 good way to put it.

21 COMMISSIONER ZUNIGA: -- meaning as to  
22 why it is that we are not seeking comment and what  
23 time do we have after that.

24 CHAIRMAN CROSBY: That kills two birds

1 with one stone. You sort of give the legislators an  
2 update. As you know, the application process is  
3 underway. We are waiting for the first phase to be  
4 returned from the applicants.

5 In the meantime, we are addressing a  
6 bunch of key policy questions. Among those is the  
7 surrounding community definition.

8 So, Elaine, you might want to take a  
9 look at that too. I think that's a good idea to kill  
10 two birds with one stone.

11 MR. ZIEMBA: One issue as to timing,  
12 because the deadline is next Tuesday -- We have  
13 reached out up to this date with some of the key --  
14 some of the original sponsors of the gaming  
15 legislation regarding the policy questions that we  
16 have been exploring. But the more generalized  
17 mailing that we would need to send out, there might  
18 be some reaction given the fact that they might notice  
19 only days before our policy deadline.

20 CHAIRMAN CROSBY: Yes. Well, we're  
21 not going to -- A - we're not going to turn things  
22 back if we get it late. But B - you're going to  
23 suggest that there will likely be other  
24 opportunities.

1 MR. ZIEMBA: Correct.

2 CHAIRMAN CROSBY: So, think of how you  
3 phrase it. But I agree, arriving tomorrow only gives  
4 them basically one business day to respond before  
5 Tuesday. So, word it carefully. But still I think  
6 it's worth doing in some fashion or other.

7 MR. ZIEMBA: Okay.

8 CHAIRMAN CROSBY: You sent out an  
9 email on the 14th called interim follow-up about RPA  
10 questions, ABCC and stuff. Did you get everything  
11 you needed in response to that?

12 MR. ZIEMBA: Yes. I'm still  
13 following up, but yes.

14 CHAIRMAN CROSBY: Anything else on  
15 your agenda or anything else for the Ombudsman?  
16 Thank you.

17 MR. ZIEMBA: Thank you.

18 CHAIRMAN CROSBY: Item B is our  
19 conference coming up on December 12, Promoting  
20 Sustainability, Strengthening Communities and  
21 Achieving Design Excellence, a New Model for  
22 Massachusetts Casinos. Commissioner Stebbins, do  
23 you have anything else to add to that?

24 COMMISSIONER STEBBINS: No real

1 update, just a reminder the event on December 12 from  
2 eight to noon. We did, I think, as a result of last  
3 meeting you had a question about whether the  
4 discussion around these subject matters would have  
5 a relationship or could involve a discussion around  
6 MEPA. I gave that request back to the folks at AIA  
7 to say it would be helpful for us to have them included  
8 in somebody's presentation.

9                   And MMA also has put our event out on  
10 their website and hopefully get interest from their  
11 community members.

12                   CHAIRMAN CROSBY: Are there any other  
13 -- Is there anybody else we should send that to that  
14 would be particularly interested in that kind --

15                   COMMISSIONER STEBBINS: I don't know  
16 whether we did in the last forum or two, but you  
17 reminded me the letter to the Hill, sending an  
18 invitation up to the Hill.

19                   CHAIRMAN CROSBY: Yes. We usually do  
20 that. Janice.

21                   COMMISSIONER STEBBINS: It's been  
22 pretty broad and thorough.

23                   CHAIRMAN CROSBY: How about the Grad  
24 School of Design at Harvard?

1                   COMMISSIONER STEBBINS: Reach out to  
2 MIT also.

3                   MS. DRISCOLL: And the BSA folks are  
4 obviously reaching out to their contacts as well.  
5 I've been going back and forth with them and making  
6 sure we are utilizing both our Twitter account and  
7 things like that.

8                   CHAIRMAN CROSBY: They're probably  
9 thinking about all of the schools that are in the  
10 design, the urban design world. But it's worth  
11 asking just to make sure that they thought of that.

12                   MS. DRISCOLL: Definitely.

13                   CHAIRMAN CROSBY: Okay. Anything  
14 else on that? That'll be a great one.

15                   The discussion of the Casino Training  
16 Institute.

17                   COMMISSIONER STEBBINS: I think we all  
18 agreed at the last meeting that the exclusivity issue  
19 of the Casino Career Training Institute is off the  
20 table. I went back and redrafted the MOU with the  
21 community colleges, got some feedback from the  
22 community colleges yesterday, incorporated those  
23 into the document and I've shared that will all of  
24 you. So, hopefully we can vote on it, approve it next

1 meeting.

2 CHAIRMAN CROSBY: Next week?

3 COMMISSIONER STEBBINS: Yes.

4 CHAIRMAN CROSBY: Okay.

5 COMMISSIONER ZUNIGA: I will look into  
6 this in that MOU, but is there a mechanism for  
7 expanding the consortium? I know that was a bit of  
8 a question last time.

9 COMMISSIONER STEBBINS: I haven't  
10 really built it in as a mechanism or requirement on  
11 their part. And I only base that on where we have  
12 found that there were other groups, community action  
13 groups are a perfect example to say we want you to  
14 reach out or I've stumbled across a private college  
15 or institution that's interested in being part of the  
16 collaborative because they teach courses in  
17 hospitality or business or what have you. And I've  
18 forwarded their names on. And I've never gotten to  
19 say no, we don't want this person involved.

20 So, we can look at it. I just kind of  
21 went on based on what their track record has been of  
22 trying to be as inclusive as possible.

23 Again, as soon as we got them a list of  
24 the community action groups, they sent out an

1 invitation. They shared with me the replies they got  
2 back. So, I don't see that as a sticking point just  
3 again, based on what their response has been when  
4 we've asked them to engage other groups.

5 COMMISSIONER CAMERON: Commissioner  
6 Stebbins?

7 COMMISSIONER STEBBINS: Yes.

8 COMMISSIONER CAMERON: I had some  
9 questions regarding this licensure/certification  
10 piece. We had some discussion about that last week.  
11 But that still is a piece though I'm just not sure,  
12 again I think it's our responsibility to be very clear  
13 about disqualifiers so that they can focus on  
14 training individuals who have a viable chance to be  
15 employed. But this piece about licensing or working  
16 group talk about licensing, I'm just not sure where  
17 that fits in.

18 COMMISSIONER STEBBINS: Okay. Do you  
19 want to follow up before our next meeting and I'll  
20 get the answers from the colleges if I can't answer  
21 them for you.

22 COMMISSIONER CAMERON: Okay. Great.  
23 thank you.

24 CHAIRMAN CROSBY: You, Counselor



1 Grossman, might have something about in response to  
2 the guys who spoke up at our meeting last time about  
3 some solution for them. When you get that done that  
4 might be worth getting a quick report on.

5 MR. GROSSMAN: I think we can have that  
6 together fairly shortly.

7 CHAIRMAN CROSBY: Okay. Great.  
8 Anything else, public education information?

9 Research agenda, the RFP will be out  
10 before sundown on Friday at the absolute latest,  
11 maybe tomorrow.

12 COMMISSIONER ZUNIGA: Yes. We are  
13 working on the last draft.

14 CHAIRMAN CROSBY: Right. Like all of  
15 these things, it's agonizing but when it's good work,  
16 it's a good RFP. It's a big important challenge.  
17 So, agonizing or not, it's worth getting it right,  
18 which is what I think we are doing.

19 Internet gaming, I'm not sure this  
20 needs to be on here. We reported last week. No, we  
21 didn't report yet?

22 COMMISSIONER ZUNIGA: We didn't on the  
23 meeting of the Treasurer's Online Task Force, which  
24 I can do.

1                   CHAIRMAN CROSBY:  Yes.  Go ahead, you  
2 start off.

3                   COMMISSIONER ZUNIGA:  We attended the  
4 meeting, the Chair and I, of the Treasurer's Online  
5 Task Force.  This is the second to last meeting of  
6 the Task Force.  There's preliminary findings, if  
7 you will.

8                   There were two sets of consultants who  
9 reported on the research.  One of them did a survey  
10 of lottery players and potential lottery players as  
11 to the medium in which they play and asked  
12 hypothetical questions relative to online options.  
13 Those findings were reported.

14                   There was also a report from the gaming  
15 consultant, which mostly analyzed other  
16 jurisdictions that have had online products  
17 complement the lottery or gaming efforts.  Most of  
18 these jurisdictions are in Europe.

19                   It would be perhaps fair to say that  
20 there is not a clear finding as to what kind of  
21 substitution online products would have for the  
22 lottery if they were introduced here in  
23 Massachusetts.  The question is even more vague,  
24 perhaps or it's equally vague when it comes to

1 casinos, what effect they would have on casinos.

2 So, the Task Force will be preparing to  
3 discuss a final report as early as December 10, as  
4 you alluded. And that draft may be forthcoming to  
5 Task Force members within days, I suppose. We will  
6 make that available to the rest of the Commission as  
7 Task Force members, but we will be expecting those  
8 comments. Did you want to add?

9 CHAIRMAN CROSBY: The only thing I  
10 would add is that we on behalf of the Gaming  
11 Commission, Commissioner Zuniga and I made a point  
12 of saying we did not know at all -- we had no opinion,  
13 no knowledge of what the impact of online gaming of  
14 any sort in Massachusetts would have on the casino  
15 licenses, on the operators, on anything about it.  
16 And therefore, we reserved the right to comment  
17 further as we learned such things.

18 That's why we're asking now anybody  
19 here who represents the industry and has anything  
20 constructive to tell us, we're really open to it.

21 But we also said subject to that one  
22 caveat that it was our instinct that online gaming  
23 is coming. It is not a matter of not having online  
24 gaming. It is going to happen. It's available

1 today. It's going to happen in other jurisdictions  
2 legally and illegally.

3                   And that is a matter at the least of a  
4 proactive defense if not a proactive offense we  
5 should -- our recommendation to be considered by the  
6 group was that the Treasurer should ask for the right  
7 from the Legislature to consider at least doing  
8 research, maybe having some pilot programs and  
9 starting to really ramp up the learning curve for  
10 Massachusetts so that we aren't left in the dust as  
11 this new thing unfolds. That was our  
12 recommendation.

13                   And I don't know that they will adopt  
14 it at all. I think they might I think. I think it's  
15 a pretty reasonable position. And I think actually  
16 the Treasurer was pleased to have support in somebody  
17 else saying that it would be in the Commonwealth's  
18 interest to have him get some tools to explore this.

19                   He's very mindful, as everybody is, of  
20 the interests of the 7400 retail outlets who now sell  
21 lottery tickets and for whom it's a very big part of  
22 their business. And he's extremely sensitive to  
23 that and so is everybody else. But having said that,  
24 as we discussed you can't put a moat up. It's going

1 to happen. So, we ought to try to figure out how to  
2 do it on our terms rather than on somebody else's  
3 terms.

4 Okay. I think that's about it,  
5 believe it or not, folks. I would say just  
6 incidentally it happens to be about the anniversary  
7 of the passing of the legislation. I think it was  
8 November 11

9 COMMISSIONER ZUNIGA: November 22.

10 CHAIRMAN CROSBY: -- November 22, so  
11 it's very close to that.

12 The only thing I would say in marking  
13 that passing is that we have learned that the  
14 Legislature did a remarkably good job in writing and  
15 passing this legislation. A - we have heard from  
16 jurisdictions all across the country about how good  
17 it is and how they wished that they had the tools that  
18 we have in terms of community mitigation, local  
19 control, problem gambling, consolidated law  
20 enforcement, transparency, lack of political  
21 intervention, really a whole host of things.

22 And we have not had either any cause to  
23 need refinements in the law as yet, nor just for the  
24 record have we had any interventions by anybody

1 political. So, as I've said in other settings, the  
2 Legislature gets its knocks and they deserve credit  
3 where credit is due. And I think it's the consensus  
4 of our Commission that we were presented with a very,  
5 very first rate, first piece of work by the  
6 Legislature and the Governor.

7 COMMISSIONER ZUNIGA: I would  
8 strongly agree with that. Throughout this past  
9 year, I've come to learn and appreciate many aspects  
10 of the Gaming Act as evidenced that I always carry  
11 it with me. It's a tremendous piece of legislation.  
12 So, I would second that.

13 CHAIRMAN CROSBY: Right. The new  
14 definition of a nerd, if you carry the gaming law with  
15 you.

16 COMMISSIONER STEBBINS: I take that in  
17 good stride.

18 COMMISSIONER ZUNIGA: The Judge's  
19 looks better because he's got it electronically.

20 CHAIRMAN CROSBY: Right. Before we  
21 adjourn, Commissioner Cameron, have you been able to  
22 hear us throughout?

23 COMMISSIONER CAMERON: I have most of  
24 the conversation. There was a couple of times when

1 it got very low, but I have the gist of everything  
2 and I heard most of it.

3 CHAIRMAN CROSBY: Nothing that  
4 concerned any of the votes, you've been able to hear  
5 everything relative to the votes?

6 COMMISSIONER CAMERON: Absolutely.

7 CHAIRMAN CROSBY: Then I would wish  
8 everybody a Happy Thanksgiving and adjourn today's  
9 meeting. Thank you.

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11 (Meeting adjourned at 2:15 p.m.)

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1 ATTACHMENTS:

2 Attachment 1, Agenda

3 Attachment 2, November 6, 2012 Massachusetts Gaming  
4 Commission Meeting Minutes

5 Attachment 3, Massachusetts Gaming Commission  
6 November 19, 2012 Memorandum Regarding Recommendation  
7 to Select Consultant to Assist in the Suitability  
8 Investigations

9 Attachment 5, Additional Policy Questions

10 Attachment 6, Massachusetts Gaming Commission  
11 2012/11/16 Summary Schedule Update

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15 SPEAKERS:

16 Eileen Glovsky, Director of Administration

17 John Ziemba, Ombudsman

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C E R T I F I C A T E

I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

//Laurie J. Jordan// Date: November 21, 2012

Court Reporter for Office Solutions Plus, LLC

My commission expires: May 11, 2018

//Elizabeth Tice// Date: November 21, 2012

Elizabeth Tice, President, Office Solutions Plus, LLC

My commission expires: August 26, 2016