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THE COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION  
PUBLIC MEETING #172

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

Lloyd Macdonald

Bruce W. Stebbins

Enrique Zuniga

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December 9, 2015 10:30 a.m.- 3:44 p.m..

MASSACHUSETTS GAMING COMMISSION

101 Federal Street, 12th Floor

Boston, Massachusetts

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P R O C E E D I N G S :

CHAIRMAN CROSBY: We are ready to call to order the Mass. Gaming Commission meeting, public meeting number 172 held today at our offices at 101 Federal Street at 10:30 in the morning. The first item on the agenda is the approval of the minutes, Commissioner Macdonald.

COMMISSIONER MACDONALD: Yes. I move that the minutes of the meeting of November 19, 2015 be approved subject to any correction of typographical errors or other nonmaterial matters.

CHAIRMAN CROSBY: Second?

COMMISSIONER CAMERON: Second.

CHAIRMAN CROSBY: Any discussion?  
All in favor, aye.

COMMISSIONER MACDONALD: Aye.

COMMISSIONER CAMERON: Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Opposed? The ayes have it unanimously. Next up is Director

1 Griffin who is the Director of Workforce,  
2 Supplier and Diversity Development, welcome.

3 MS. GRIFFIN: Good morning, Chairman  
4 Crosby. I am joined by Lyle Hall of HLT  
5 Advisors. I'm going to give you a brief  
6 introduction and background on the impacted  
7 live entertainment venue process. And then  
8 turn the presentation over to Lyle so he can  
9 present his analysis and answer your questions.

10 So, we have received petitions from  
11 theater venues requesting the designation  
12 impacted live entertainment venue or ILEV  
13 relative to the Region C applicant Mass Gaming  
14 and Entertainment.

15 An earlier petition from Brockton  
16 21st Century Corporation on behalf of  
17 Campanelli Stadium and the Shaw's Center was  
18 later withdrawn in light of a recent  
19 cooperation agreement with Mass Gaming and  
20 Entertainment.

21 The other petition from the Mass.  
22 Performing Arts Coalition, MPAC is before you  
23 today. The issue today is whether four MPAC  
24 venues are impacted live entertainment venues

1 relative to the applicant MG -- Mass Gaming and  
2 Entertainment's development of a resort casino  
3 in Brockton.

4           So, today you will vote on whether  
5 to accept or deny the impacted live  
6 entertainment petition from the Mass.  
7 Performing Arts Coalition on behalf of the  
8 following four venues, South Shore Music Circus  
9 in Cohasset owned and operated by South Shore  
10 Music Playhouse, located approximately 30 miles  
11 by road to the proposed Brockton development.  
12 Cape Cod Melody Tent in Hyannis, owned and  
13 operated by South Shore Playhouse Associates,  
14 located approximately 56 miles by road to the  
15 proposed gaming establishment. Lynn  
16 Auditorium in Lynn, Massachusetts,  
17 approximately 35 miles by road from the  
18 proposed gaming establishment. And finally,  
19 the Zeiterion Theatre located in New Bedford,  
20 Massachusetts, about 37 miles by road from the  
21 site.

22           So, Commissioners you had a chance  
23 to hear from the petitioners on November 12.  
24 Peter Martin, an attorney representing the

1 Mass. Performing Arts Coalition and Vince Longo  
2 of the Cape Cod Melody Tent in Hyannis and the  
3 South Shore Music Circus in Cohasset, and from  
4 Justin LaCroix, the executive director of the  
5 Zeiterion Theatre, who with their attorney  
6 presented their argument and represented the  
7 other impact member.

8 You also heard from Charles Loray  
9 and Jack Units, the attorneys representing the  
10 Brockton applicant, Mass Gaming and  
11 Entertainment.

12 So, for the record, your decision  
13 today will be based on the testimony, the  
14 November 12 testimony as well as the original  
15 petitions, the applicant response and the  
16 consultant analysis, which you'll hear more  
17 about today.

18 Additionally, you will consider the  
19 following conditions and considerations  
20 provided in the statute and the regulations.  
21 Whether the venue meets the definition of an  
22 impacted live entertainment venue as set forth  
23 in Chapter 23K under section two, a not-for-  
24 profit or municipally owned performance venue

1 designed in whole or in part for the  
2 presentations of live concerts, comedy or  
3 theatrical performances which the Commission  
4 determines experiences or is likely to  
5 experience a negative impact from the  
6 development or operation of a gaming  
7 establishment.

8           Also, under the regulatory  
9 definition, the Commission is to consider the  
10 following factors referenced in section 439  
11 including but not limited to the venue's  
12 distance from the gaming establishment, venue's  
13 capacity and the type of performances offered  
14 by that venue.

15           The Commission will also consider in  
16 205 CMR 126.01 whether the applicant intends to  
17 include a geographic exclusivity clause in the  
18 contracts of the entertainers at the proposed  
19 gaming establishment or in some other way  
20 intends to limit the performance of  
21 entertainers within Massachusetts.

22           So, finally, Commission staff  
23 engaged technical expert HLT Advisors for  
24 analysis on this issue. HLT Advisory is a

1 Toronto-based consultancy focused on the  
2 gaming, tourism accommodation and leisure  
3 industries. They have significant public and  
4 private sector client base. Within these  
5 industries, Lyle Hall has completed a market  
6 assessment and report for us on this issue.  
7 So, I will turn it over to Lyle at this point.

8 CHAIRMAN CROSBY: Welcome back.

9 MR. HALL: Thank you, Commissioners,  
10 It's good to be back. Nice space.

11 As Director Griffin said, our role  
12 was to look at the petition proposed by the  
13 Massachusetts Performing Arts Coalition, and to  
14 effectively come back to you and give you  
15 guidance as to whether or not there is an  
16 impact created as a result of the Mass Gaming  
17 and Entertainment proposal in Brockton.

18 Our role in this case is similar to  
19 previous roles that we had with you in other  
20 ILEV applications up to this point. So, I'll  
21 just walk through quickly what we did and what  
22 we found in the letter that we provided to you  
23 dated December 4.

24 As Director Griffin suggested, there

1 are really three tests and an overriding  
2 condition that need to be in place based on the  
3 legislation to determine whether an ILEV is in  
4 fact an ILEV. Those are proximity, how close  
5 is the application gaming site to the  
6 individual performing arts venues. Capacity,  
7 the seating capacity of the applicant proposal  
8 compared with the seating capacity of the  
9 potentially impacted venue.

10           And the genre or the type of  
11 performances that are put on in each of those  
12 venues. And I'll touch on each one of those in  
13 a moment. The overriding condition is whether  
14 or not the applicant has commented on or  
15 intends to put in place any kind of geographic  
16 or time-based radius restriction that would  
17 prevent performers from appearing at the  
18 applicant site -- pardon me, prevent performers  
19 from appearing at any other venues in favor of  
20 appearing at the applicant's site.

21           Our process in looking at this was  
22 very similar to what we've done in the past.  
23 We went back and reviewed once again the  
24 statute in the legislation. We reviewed the



1 petition materials and the packet of materials  
2 that were provided by MPAC and the individual  
3 venues.

4 We reviewed MG&E's application to  
5 understand what it is they're actually  
6 proposing to do at the site. We reviewed both  
7 the transcript and the video recording of the  
8 November 12 meeting where the applicants on  
9 both sides presented to you.

10 And then we've gathered additional  
11 background information and would like to thank  
12 the venues for providing events data, both the  
13 individual events and attendees of those events  
14 that were held at each of those four venues  
15 over the past couple of years.

16 The one thing we didn't do and I  
17 wanted to point this out, and because it came  
18 up there is a fervative time mentioned or  
19 talked about this on the November 12 meeting  
20 and that was the impact of a proposed Indian  
21 casino in Taunton.

22 There is no mention in the  
23 legislation of a casino outside of the purview  
24 or the focus of the Commission. Therefore,

1 there is nothing in the legislation that speaks  
2 to how that particular casino may or may not  
3 have an impact on a potential ILEV. And as a  
4 result, while we've noted it, we had not taken  
5 that into account or consideration in rendering  
6 a view as to whether or not the four venues in  
7 question are in fact ILEV approved.

8 So, the three main tests on whether  
9 or not a venue is an ILEV, let me walk through  
10 each one of those in order. Proximity, as  
11 Director Griffin has mentioned, each of the  
12 venues are within, use 60 miles depending on  
13 how you want to calculate mileage, but 60 miles  
14 of the outside of Brockton. Although, as I  
15 think all sides have acknowledged, the actual  
16 driving time is probably not reflected by the  
17 mileage count.

18 But without question, they are  
19 within a relatively narrow radius of the  
20 Brockton proposal. We acknowledge that other  
21 ILEV agreements have been entered into  
22 voluntarily between applicants and venues who  
23 are within that range. In fact, even outside  
24 that range but those were not subject to this

1 type of arbitration.

2           Two is the similarity of  
3 performances. Without question, musical  
4 performances, musical acts and comedy acts are  
5 the types of genres or the types of  
6 performances that casino operators are most  
7 likely to look at putting in their  
8 entertainment venues. And those do make up the  
9 majority but not all of the performances that  
10 take place in the existing venues.

11           And three is seating capacity. I  
12 want to expand seating capacity to slightly  
13 because first of all to note that the proposal  
14 by MG&E is for multipurpose space that could  
15 accommodate up to 1000 people. Each of the  
16 petitioning venues is between 2000 and 2300  
17 seats. So, the Brockton proposal is less than  
18 half of each of the other four venues in terms  
19 of capacity.

20           But more importantly is the nature  
21 of what MG&E intends in this complex is to  
22 build effectively a large ballroom, for lack of  
23 a better word, within a larger multipurpose  
24 area that can accommodate a range of events

1 that could include meetings and conventions.  
2 They've even talked about boxing and certainly  
3 entertainment events such as musical or comedy  
4 groups.

5           The reason I point that out is that  
6 the spaces are not ideal for entertainment.  
7 And from a competitive point of view, from a  
8 customer point of view I think there is a  
9 significant difference between what is being  
10 offered.

11           And then thirdly or finally is the  
12 area of operating restrictions, the radius  
13 clauses in particular. The applicant has made  
14 a point of saying they do not intend to impose  
15 a radius clause. And I think we take that at  
16 face value. We certainly have in our  
17 consideration of this.

18           I should also point out though that  
19 while the petitioning venues have raised the  
20 issue of radius clauses in their material, the  
21 South Shore Playhouse Associates in fact on a  
22 routine basis has entertainers perform at both  
23 their venues on back to back days or back to  
24 back nights.

1           So, we looked at that and we looked  
2 at the occupancy levels they are achieving at  
3 those events which for the most part are well  
4 into the 70 percent plus range. And got some  
5 comfort that within that broader radius of 50  
6 or 60 miles, there are independent market areas  
7 that could support entertainers of this  
8 magnitude.

9           I think to our view though the  
10 biggest test is on capacity. And while we  
11 acknowledge that casino operators have and  
12 probably will continue to put entertainers in  
13 their venues and pay them premium prices, in  
14 this situation those premium prices would have  
15 to be at least double just based on the  
16 capacity of seats that are available to each  
17 one of those operators. So, I think that  
18 minimizes or certainly mitigates the potential  
19 negative impact.

20           As a result of those considerations  
21 and in our view, we do not believe that any of  
22 the four venues in the petition qualify as  
23 ILEVs based on the statute. With that I will  
24 conclude my remarks and happy to answer any

1 questions.

2 CHAIRMAN CROSBY: Questions? As I  
3 read it, I didn't understand. Apparently, MG&E  
4 is saying we do not intend to have radius  
5 agreements but they are unwilling to commit to  
6 that? So, why doesn't that make this all go  
7 away? Why don't they just write something and  
8 say, all right, we are prepared not to have  
9 radius clauses?

10 MS. GRIFFIN: They have indicated in  
11 their application that they will not have  
12 radius restrictions. So, they've committed to  
13 that.

14 CHAIRMAN CROSBY: That's a  
15 commitment that they will not have radius  
16 restrictions.

17 MS. GRIFFIN: Right.

18 CHAIRMAN CROSBY: It's an  
19 enforceable commitment?

20 MS. GRIFFIN: Enforceable.

21 COMMISSIONER ZUNIGA: We could make  
22 it a condition of the license much like many  
23 other conditions that we place if we were to  
24 award a license for example.

1                   CHAIRMAN CROSBY: It seems to me  
2 that if it's already a condition of the  
3 application then we can make that enforceable,  
4 coupled with the fact that our consultant, it  
5 makes sense to me what he says suggests that  
6 it's minimal in its impact at worse. Put those  
7 two together that seems pretty strong.

8                   MR. LACROIX: There was one error on  
9 their report. The Zeiterion Theatre is a 1200-  
10 seat establishment. We are not in the 2000 or  
11 4000 seat range. We are much closer to the  
12 thousand mark than they're talking about. I  
13 want to make sure that that is brought up  
14 clearer.

15                   CHAIRMAN CROSBY: That's a  
16 significant point in the overall analysis for  
17 the Zeiterion capacity, the Zeiterion facility,  
18 but nevertheless the essential term of an ILEV  
19 agreement is the absence of radius commitments,  
20 is it not or not?

21                   When we've negotiated these things  
22 in the past that's been the single biggest  
23 issue. I remember going all of the way back  
24 with Mr. Siebels years ago when this first came

1 up and he was explaining what their concerns  
2 were were the supply-side not the demand-side.  
3 We didn't understand. That was always one of  
4 the central issues.

5 So, if you've got that locked in  
6 stone, and I see a sense of the Commissioners  
7 that we would want that to be locked in stone,  
8 still coupled with your analysis albeit  
9 slightly modified for Zeiterion, it seems to me  
10 like that's a pretty straightforward package.

11 MR. HALL: I apologize,  
12 Commissioners. I will immediately check on the  
13 seating capacity. I apologize for that. But I  
14 think it still holds the point of the radius  
15 clauses. That is and strikes me as the primary  
16 issue. That and the time that was spent in the  
17 last discussion on the impact of the potential  
18 Indian casino in Taunton. I don't think it  
19 changes the conclusion.

20 CHAIRMAN CROSBY: Right.

21 COMMISSIONER ZUNIGA: Remind me,  
22 maybe we discussed this at the presentations  
23 from last time around, but there has been a  
24 cooperation agreement between Campanelli



1 Stadium and the applicant, which that  
2 commercially between the two parties without  
3 the designation.

4 I understand there were efforts by  
5 the petitioners here to have that effort.  
6 There were good discussions but ultimately  
7 there was no agreement, no cooperation  
8 agreement in that spirit which is why they're  
9 coming to seek the designation. That might  
10 effectively put them in an arbitration process  
11 for example if that's where the parties may be.  
12 Is that a fair statement?

13 MS. GRIFFIN: That's correct.  
14 Brockton 21st Century did negotiate an  
15 agreement on behalf of Shaw's Center and  
16 Campanelli Stadium. And the Mass. Performing  
17 Arts Coalition, MPAC have had conversations.  
18 And I think they couldn't come to an agreement.  
19 I think part of an issue may be that it's four  
20 venues that need to come to an agreement. And  
21 I think that has been a challenge.

22 COMMISSIONER ZUNIGA: I see some  
23 shaking of the heads. We might get to that Mr.  
24 Longo?

1 MR. LONGO: Can I speak to that for  
2 a second?

3 CHAIRMAN CROSBY: Can you hear all  
4 right, Mike?

5 COMMISSIONER ZUNIGA: You can come  
6 to the podium.

7 MR. LONGO: On that particular point  
8 pertaining to radius clauses, MPAC is not  
9 asking for a radius clause either. So, there  
10 are no radius clauses in this discussion at  
11 all. Brockton has said that. We have said  
12 that. So, that needs to be on the record.  
13 That is not an issue.

14 CHAIRMAN CROSBY: Because there  
15 won't be any.

16 MR. LONGO: Because there won't be  
17 any. I just need to make that kind of clear  
18 where we were coming from with this. We are  
19 trying to get to an agreement. We have not  
20 been able to get to an agreement. I guess we  
21 have 30 days going forward to try again to get  
22 to some kind of agreement.

23 COMMISSIONER ZUNIGA: What might be  
24 the recourse that you can get out of an

1 agreement that you might not otherwise have if  
2 you did not have a designation?

3 MR. LONGO: It pertains to the  
4 supply-side of the talent. What our four  
5 venues that are discussed in this particular  
6 ILEV need to have close to a level playing  
7 field for purchasing the talent. In my case  
8 we're a charity. We give all of the money that  
9 we make back to our communities.

10 So, if we go out of business,  
11 there's 130 other charities that we give to  
12 that will not be supported. So, it's a very  
13 different consideration compared even to  
14 Zeiterion or even to Lynn because they are for-  
15 profit. They make money and they are for-  
16 profit or not-for-profit but don't give money  
17 away.

18 There's certainly a consideration  
19 there, supply-side consideration. We would  
20 just like to be able to buy the talent with as  
21 few restrictions as we can. And the caveat  
22 here is that if you were to go to ask any major  
23 agent at any major agency are there prices for  
24 casinos and are there prices for the Music

1 Circus, the Melody Tent, the Zeiterion and  
2 Lynn, they'd say yes, they are different prices  
3 because the casinos pay more which puts us out  
4 of the loop.

5 That adds a major component with us  
6 trying to level the playing field as much we  
7 can because we don't pay one and a half times  
8 what the artist is worth. We try to pay what  
9 the artist is worth.

10 COMMISSIONER ZUNIGA: I get that and  
11 that's important. And that's part of the  
12 dynamics.

13 But my question is more focused on  
14 if you were to reach an agreement, what would  
15 be the recourse that you might have out of an  
16 agreement.

17 MR. LONGO: Number one,  
18 communication.

19 COMMISSIONER ZUNIGA: What tool do  
20 you now have that you wouldn't otherwise have  
21 by being a designated ILEV?

22 MR. LONGO: The negotiation part  
23 with any particular national agent.

24 COMMISSIONER ZUNIGA: No, no,

1 between you and the applicant.

2 MR. LONGO: Between me and the  
3 applicant, the tool that we would have is more  
4 of a level playing field on the supply-side  
5 trying to get talent. So, we would be  
6 discussing things.

7 I can give you an example. MPAC  
8 competes against one another too. We're all in  
9 a very small radius in the state of  
10 Massachusetts. And we are all competing for  
11 the same talent, some not so much as others.  
12 And over -- He does a lot of theatrical, the  
13 Zeiterion does theatrical. We only have music  
14 at the Circus and the Melody Tent. We only do  
15 concerts.

16 So, we live and die when we do well  
17 or not at the concert venue. So, we need the  
18 supply-side of that talent is our bread and  
19 butter as to whether we can go forward.

20 We believe that casinos' core  
21 business is gaming. We believe that somewhere  
22 down the line, they will want to bring in live  
23 entertainment. And that will a couple of years  
24 from now definitely affect how we can do our

1 business.

2 That's why we're asking to be  
3 designated as an ILEV so when we go to the rest  
4 of the negotiation everybody can understand  
5 where it's all laid out that at least there is  
6 some understanding what the Legislature was  
7 trying to do for us, and that is to prevent us  
8 from going out of business.

9 I'm here to tell you without my  
10 talent, we are out of business. We've been in  
11 business for 64 years.

12 COMMISSIONER ZUNIGA: Maybe I'm  
13 getting helplessly granular here, but I'm  
14 trying to envision what a recourse -- what a  
15 clause might look like.

16 CHAIRMAN CROSBY: Not recourse, it's  
17 what terms.

18 COMMISSIONER ZUNIGA: I'm sorry,  
19 what term are you looking for?

20 MR. LONGO: I understand now. The  
21 terms are that if Brockton was going to go  
22 after an act that is on the PollstarPro list,  
23 which is a list of all national touring acts,  
24 that we would have consideration between us and

1 have communication regarding the booking of  
2 that act like we do with the rest of the MPAC  
3 venues.

4 So, we'd like to work with them to  
5 try to do the good for all of us so we can all  
6 stay in business so we can all do well.

7 Right now, with the overpaying and  
8 nobody restricting that them taking the talent,  
9 we can't do that. We want to be able to pick  
10 up the phone and say --

11 CHAIRMAN CROSBY: The term would say  
12 you to have talk to me?

13 MR. LONGO: No. The term would  
14 entail over a certain number months -- For  
15 example, we gave them four alternatives, but  
16 one of the alternatives was over 24 months if  
17 that act plays for a casino, in this case the  
18 Brockton casino, then we would lay off for a  
19 certain number of months. And if they did the  
20 act, they would lay off for a certain number of  
21 months to try to let MPAC, any of the MPAC  
22 venues try to book that act into Massachusetts  
23 one more time over a two-year period.

24 I can't get into the actual details

1 that we are asking for, but we feel that we  
2 just want to try to have a communicative back  
3 and forth like we do right now with MPAC. In  
4 other words, don't steal everything. The first  
5 year right now, if we're not an ILEV, Brockton  
6 can go take every one of my acts that I gave  
7 into the Commission and they can book all of  
8 those acts and put me out of business in six  
9 months.

10 COMMISSIONER ZUNIGA: Wouldn't that  
11 call for -- Would there be at least in theory  
12 more efficiency if the coalition was designated  
13 as an IELV? And I know that's sort of hard  
14 because of the construct of the legislation.  
15 It speaks to the size or it depends on what  
16 size we are talking about and location, etc.  
17 But what you seem to be alluding to is almost  
18 like Brockton ought to be part of -- MG&E ought  
19 to be part of this coalition.

20 MR. LONGO: At least have some  
21 communications so they can't go through the  
22 talent.

23 COMMISSIONER ZUNIGA: Say that last  
24 part one more time.



1 MR. LONGO: At least have some  
2 communication so the talent can't be just  
3 stricken away from us. Right now we're not an  
4 ILEV. All of the talent can be taken away from  
5 all of the MPAC venues. They cherry pick the  
6 best acts. Put them in Brockton and each one  
7 of us, all seven of us are impacted. I'm just  
8 discussing --

9 CHAIRMAN CROSBY: The discussions  
10 that you have with your members within MPAC,  
11 those are voluntary conversations, right?

12 MR. LONGO: Yes.

13 CHAIRMAN CROSBY: You are all just  
14 sort of collaborating together.

15 MR. LONGO: Right. And we won't  
16 book on top of one another because we all  
17 understand the business of booking.

18 CHAIRMAN CROSBY: There must be some  
19 element of that in this case here too. They're  
20 going to be neighbors. They're not going to be  
21 interested in just raping and pillaging the  
22 rest of Southeastern Mass. And you can still  
23 talk to them. Just because you're not an ILEV,  
24 you can talk to them just like you talk to the

1 MPAC folks.

2 MR. LONGO: Yes, but we are asking  
3 for our communications to be relevant. We can  
4 talk all the time but they don't have to do  
5 something to kind of help us keep that  
6 communication going and keep the supply --

7 CHAIRMAN CROSBY: But neither does  
8 MPAC is my point. It's a mutual, everybody  
9 benefits.

10 MR. LONGO: In the end, MPAC  
11 benefits by the communication within its  
12 members. We all buy talent in Massachusetts.

13 We work that out. Even some agents  
14 understand, no, they played there last time.  
15 It's been a year or two years. Why don't we  
16 play on the South Shore and we'll leave  
17 something on the North Shore. That is all in  
18 consideration with the actual booking process.  
19 If somebody comes in and doesn't have any of  
20 that consideration. That's what I'm talking  
21 about.

22 COMMISSIONER CAMERON: Thank you.

23 CHAIRMAN CROSBY: Anything else?

24 MR. HALL: Chairman, and I don't

1 want to get in the middle of a dispute but I  
2 think the --

3 CHAIRMAN CROSBY: Guess what, you  
4 are.

5 MR. HALL: Maybe I started it. I  
6 think two things to keep in mind. One is we're  
7 talking about a venue in Brockton of 1000 seats  
8 versus in the case of South Shore, two venues  
9 of 2300 seats.

10 So, the discussion about whether a  
11 casino can pay one and a half times as much, if  
12 you've only got half the seats or 40 percent of  
13 the seats to sell, you're not only paying more  
14 for the acts, but you're having to pay  
15 substantially more just to recover the talent  
16 costs to be able to put them in a venue of that  
17 size.

18 Secondly, I think it's worthwhile to  
19 point out that South Shore is already putting  
20 on two shows for 10 almost 40 percent of the  
21 acts, the music and comedy acts they ran last  
22 year in those two buildings. So, if you are  
23 filling 70 to 100 percent of two 2300-seat  
24 venues, I think it's somewhat disingenuous to

1 suggest that somebody with one 1000-seat venue  
2 is going to have a marked impact on your  
3 marketability.

4 COMMISSIONER MACDONALD: Mr. Hall,  
5 can I ask you to expand on this phrase that you  
6 used, large ballroom essentially. I understand  
7 the thousand person size factor but could you  
8 expand on that?

9 MR. HALL: Sure. And I think Mr.  
10 Macdonald the comparison here is these are four  
11 very different venues which I got to know  
12 through Internet research but I have a feeling  
13 for what they are. Two of them are outdoor  
14 venues. Two of them are more traditional  
15 theatrical venues.

16 The venue we're talking about at  
17 Brockton is effectively think of a ballroom in  
18 a hotel. It's a flat floor. So, there is no  
19 raised seating. There is no capacity to put  
20 stage on an elevated platform.

21 We are going on the application as  
22 it exists right now. There are obviously some  
23 design and construction detail that's not  
24 there. But my understanding is that this is an

1 area in a large meeting convention space within  
2 the hotel and casino project, which can be  
3 subdivided into smaller meeting rooms. And one  
4 large ballroom could be used to put on a  
5 performance. It's not ideal space.

6 And where we've seen this work  
7 before, and it does work effectively where  
8 casinos have done this, they are programming  
9 that space to their frequent players, to the  
10 customers that they have. It's usually wrapped  
11 in some kind of a meal or a hospitality program  
12 in addition to the event itself.

13 Given it's only 1000 seats, I  
14 suspect the vast majority of those seats will  
15 be given away or comp'd to their better  
16 players. It's part of a package that's put on  
17 for those individuals as opposed to an  
18 entertainment product that's put out there to  
19 the general public. So, it's quite a different  
20 scenario.

21 COMMISSIONER MACDONALD: So, you're  
22 saying that the structure of the room itself is  
23 one that is not conducive to the type of  
24 entertainment experience that is presented at

1 these four establishments?

2 MR. HALL: I would view it and I  
3 would argue that some of the acts and their  
4 agents which hence part of the pricing  
5 differential would view it as not an ideal  
6 location for an entertainer to play.

7 CHAIRMAN CROSBY: It's like using  
8 the gymnasium for the Beach Boys. Other  
9 comments or thoughts?

10 COMMISSIONER CAMERON: I found HLT's  
11 report to be persuasive. I think that they  
12 took into consideration all of the issues,  
13 proximity, seating.

14 As we just talked about that is very  
15 persuasive to me that this is a ballroom  
16 weddings, banquets for the most part, maybe  
17 limited entertainment. I find your report  
18 conclusive as well as the conclusions that  
19 there is minimal impact here.

20 CHAIRMAN CROSBY: Anybody else?  
21 Does anybody want to hazard a motion one way or  
22 the other? Commissioner Cameron?

23 COMMISSIONER CAMERON: Yes. I would  
24 move that as recommended by our consultants and

1 I found persuasive that the four venues are not  
2 designated as ILEVs due to the facts laid out  
3 in the report.

4 CHAIRMAN CROSBY: Second?

5 COMMISSIONER ZUNIGA: I will second  
6 that and mention that I believe that we do have  
7 the ability to put a very detailed condition in  
8 the license if we were ever to award this  
9 license and make sure that some of the concerns  
10 expressed by the petitioners, including  
11 exclusivity and radius clauses, are addressed.

12 COMMISSIONER MACDONALD: I would  
13 agree with that. And I would move to amend the  
14 motion to make specific reference to the  
15 expectation that we would address this question  
16 of conditions at such time we are considering  
17 the merits of the MG&E proposal with regard to  
18 Brockton.

19 CHAIRMAN CROSBY: For license award.  
20 Are you okay that?

21 COMMISSIONER CAMERON: Yes.

22 CHAIRMAN CROSBY: Any other  
23 discussion on the motion as amended? All in  
24 favor, aye.

1 COMMISSIONER MACDONALD: Aye.

2 COMMISSIONER CAMERON: Aye.

3 COMMISSIONER ZUNIGA: Aye.

4 COMMISSIONER STEBBINS: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes  
6 have it unanimously. Thank you. Next up is  
7 Interim Director Wells.

8 MS. WELLS: Good morning, Mr.  
9 Chairman, members of the Commission. The first  
10 item on the agenda is the written designation  
11 of surrounding communities. And I have  
12 Ombudsman Ziemba here to address that before  
13 you.

14 MR. ZIEMBA: Good morning, Mr.  
15 Chairman and Commissioners. As you know, our  
16 schedule for Region C anticipates that the  
17 Commission will issue its written designations  
18 of surrounding community status on December 10.

19 Following the designation, Region C  
20 surrounding communities will have 30 days to  
21 negotiate a surrounding community agreement  
22 before mandatory arbitration is required under  
23 our regulations.

24 I ask that the Commission vote to



1 issue written designations for the following  
2 communities effective December 10: Abington,  
3 Avon, East Bridgewater, Easton, Holbrook,  
4 Stoughton, West Bridgewater and Whitman. All  
5 of the communities were designated by the  
6 applicant, Mass. Gaming and Entertainment, as  
7 surrounding communities in its RFA-2  
8 application.

9           With the agreement of both MG&E and  
10 Counsel for the town of Pembroke, I recommend  
11 no action on any designation for Pembroke.  
12 Pembroke was not named in the RFA-2 application  
13 but petitioned for a surrounding community  
14 status.

15           Prior to the hearing on that  
16 petition, Pembroke and MG&E reached an  
17 agreement in principle for a surrounding  
18 community agreement. That agreement is  
19 scheduled to be reviewed and potentially  
20 approved on Monday night.

21           With that I ask that you approve the  
22 designations. The Commissioners could sign the  
23 actual designation letters by tomorrow. There  
24 is an incorrect date in the actual letters that

1 I included in your packet. It should be  
2 December 10 instead of January 10, but we can  
3 take those letters out to you today and  
4 tomorrow.

5 CHAIRMAN CROSBY: Okay. Any  
6 discussion?

7 COMMISSIONER ZUNIGA: So, each one  
8 of these communities have been designated by  
9 the applicant?

10 MR. ZIEMBA: They've all been  
11 designated by the applicant in their  
12 application.

13 COMMISSIONER STEBBINS: It's still  
14 up to them as to whether they reach an  
15 agreement, but they've been identified by the  
16 applicant?

17 MR. ZIEMBA: They've been identified  
18 by the applicant. And they are all in  
19 different stages of their negotiation.

20 CHAIRMAN CROSBY: Anything else? Do  
21 I have motion?

22 COMMISSIONER ZUNIGA: Yes. I'll be  
23 happy to move that this Commission designate --  
24 officially designate the surrounding

1 communities presented here in the packet  
2 themselves have been designated as a  
3 surrounding community by the applicant Mass  
4 Gaming and Entertainment.

5 CHAIRMAN CROSBY: That includes  
6 Pembroke.

7 MR. ZIEMBA: No, it does not include  
8 Pembroke. The communities would be Abington,  
9 Avon, East Bridgewater, Easton, Holbrook,  
10 Stoughton, West Bridgewater and Whitman. It's  
11 anticipated that Pembroke will sign a  
12 surrounding community agreement or potentially  
13 could sign their surrounding community  
14 agreement after its vote on Monday.

15 COMMISSIONER ZUNIGA: So, I amend my  
16 motion to include that those communities be  
17 Abington, Avon, East Bridgewater, Easton,  
18 Holbrook, Stoughton, West Bridgewater and  
19 Whitman.

20 CHAIRMAN CROSBY: Second?

21 COMMISSIONER CAMERON: Second.

22 CHAIRMAN CROSBY: Discussion? All  
23 in favor, aye.

24 COMMISSIONER MACDONALD: Aye.

1 COMMISSIONER CAMERON: Aye.

2 COMMISSIONER ZUNIGA: Aye.

3 COMMISSIONER STEBBINS: Aye.

4 CHAIRMAN CROSBY: Opposed? The ayes  
5 have it unanimously.

6 MR. ZIEMBA: Thank you.

7 MS. WELLS: The next item on the  
8 agenda, Mr. Chairman, is the first of two  
9 interviews for the Executive Director position.  
10 So, I would like to invite up Edward Bedrosian.

11 CHAIRMAN CROSBY: Before we start  
12 with Mr. Bedrosian, I'd like Commissioner  
13 Stebbins who has been the designated  
14 Commissioner responsible for orchestrating the  
15 search process to just run through the process  
16 so everybody knows what it's consisted of. And  
17 then I'll say a few other things before we get  
18 started.

19 COMMISSIONER STEBBINS: Thank you,  
20 Mr. Chairman. First, I want to take the  
21 opportunity to offer my expression of thanks to  
22 some individuals with assisted with this  
23 recruitment process. First to our Chief of  
24 Staff Janice Reilly, our Human Resources

1 Manager Trupti Banda for their invaluable  
2 assistance during the process. Both have  
3 executive recruitment experience in their  
4 background. Their help was tremendous.

5 Secondly, to our senior management  
6 team and our directors for taking the time to  
7 hear from the candidates and share with them  
8 information about their responsibilities so our  
9 candidates had a well-rounded view of the  
10 Commission and its work.

11 And finally, to Interim Director  
12 Wells for her tremendous job serving as the  
13 interim ED while also managing the day-to-day  
14 job responsibilities of the IEB. You did a  
15 great job.

16 The search began in September. The  
17 memo enclosed in your packet outlines all of  
18 the resources and contacts we used to promote  
19 the posting and solicit the candidates.  
20 Additionally, we used contacts with the key  
21 industry executives we had built a relationship  
22 with over the past few years as well to promote  
23 the posting. In fact, I think we gave several  
24 of our staff copies of the posting when they

1 went to G2E earlier this year.

2           The results showed we were able to  
3 generate 75 candidates. From those 75  
4 candidates we conducted initial interviews with  
5 almost 20 percent of the candidate pool.

6           Those selected for a first-round  
7 interview came from a group with a broad set of  
8 backgrounds and work experiences. We met with  
9 candidates who had experience in public safety,  
10 law-enforcement, gaming regulation, horse-  
11 racing regulation, private-sector management,  
12 legal careers, careers within the game industry  
13 itself and within the racing industry itself  
14 and criminal prosecution.

15           Candidates that passed that initial  
16 screen then met with members of our senior  
17 management team and directors in groups of  
18 three or four. These meetings allowed our team  
19 to ask questions but just as importantly, it  
20 gave our candidates a chance to ask our team  
21 about their areas of work, background and  
22 priorities.

23           I met with the staff and solicited  
24 their feedback after these sessions. I greatly

1 appreciate the staff's participation in the  
2 interview process.

3           Additionally, we asked candidates --  
4 Or candidates from this round were also given  
5 the opportunity to meet with some key  
6 stakeholders of the Commission's work. Former  
7 Commissioner McHugh, our two gaming consultants  
8 from Michael and Carroll also conversations  
9 with the candidates to discuss the Commission's  
10 work, thoughts on the game industry and other  
11 key topics to again help familiarize our  
12 candidates with the job they were hoping to  
13 acquire.

14           It is important to remember that we  
15 were also anxious in this recruitment process  
16 to help educate them about us, and why we feel  
17 the Executive Director position is an exciting  
18 opportunity. I want to thank Commissioner  
19 McHugh and Guy Michael and Bobby Carroll for  
20 their assistance as well.

21           Now the job of selecting an  
22 executive director now turns to us. As we  
23 know, section 3 of Chapter 23K not only  
24 outlines how we are selected, but it charges us

1 with appointing an executive director who  
2 serves at the pleasure and will of the  
3 Commission.

4 The statute notes that the executive  
5 director shall be a person with skill and  
6 experience in management and shall be the  
7 executive and administrative head of the  
8 Commission, shall be responsible for  
9 administrating and enforcing the provisions of  
10 the law relative to the Commission and to each  
11 administrative unit thereof.

12 The law also notes the executive  
13 director may from time to time and subject to  
14 the approval of this Commission establish  
15 within the Commission such administrative units  
16 as may be necessary for the efficient and  
17 economical administration in the Commission.  
18 When necessary and for such purpose may abolish  
19 any such administrative unit or may merge any  
20 two or more units.

21 We are now charged with selecting an  
22 executive director from the two candidates I am  
23 pleased to present today for your  
24 consideration. Each of these two candidates



1 brings to the table work experience and career  
2 positions that are completely unique and  
3 different and provide skills that will prove  
4 beneficial to the work of this Commission. Let  
5 me say that again. Each of these two  
6 candidates work experience is completely unique  
7 and different from the other, and both offer  
8 this Commission the opportunity to continue our  
9 ongoing responsibilities and for the work that  
10 lies ahead.

11 I think it was even suggested at one  
12 point it would be great if we could hire them  
13 both.

14 We will interview each candidate and  
15 they're going in alphabetical order. We want  
16 to invite each candidate to introduce  
17 themselves, discuss their background and work  
18 experience and how it relates to the skills and  
19 experience highlighted in the job posting for  
20 the ED.

21 After the initial opening comments,  
22 Mr. Chair, we can begin our questioning. We  
23 have no time limit and I encourage all of us to  
24 ask follow-up questions if need be. This is

1 our one opportunity to learn more about these  
2 two finalists.

3 After we have completed our  
4 questioning of each candidate, we will ask them  
5 to make any final comments or pitch that they  
6 wish. Hopefully, not similar to a presidential  
7 debate but they can also highlight additional  
8 thoughts that they had on any of our questions.

9 Following the completion of the  
10 second interview, we will begin our discussion.  
11 We should take the opportunity to discuss the  
12 highlights in the interview sessions, perhaps  
13 even discuss what we feel are the priorities  
14 for the next executive director.

15 After we've had those discussions, I  
16 would ask each Commissioner to offer their  
17 choice of the preferred candidate. From that  
18 we will identify a preferred candidate. And  
19 the next up is to consider the motion enclosed  
20 in my memo.

21 The motion charges me to work with  
22 staff to negotiate a compensation package while  
23 the candidate also proceeds with completing the  
24 required background screening and reference

1 calls similar to how we approach all employees  
2 hired by the Gaming Commission.

3           Once again, before we start with our  
4 interviews, let me thank our two finalists, all  
5 of the other candidates who participated in the  
6 process and our staff for their invaluable  
7 assistance.

8           CHAIRMAN CROSBY: Thank you very  
9 much, Commissioner. And thank you for a job  
10 well done.

11           I just want to highlight one thing.  
12 We operate, as everybody knows, under a very  
13 rigorous interpretation of the Open Meeting  
14 Law. We are therefore required under that  
15 interpretation of the Open Meeting Law to  
16 conduct our interviews of our candidates in  
17 public and then to deliberate about those  
18 candidates in public.

19           Any of you watching can imagine what  
20 it would be like to have your interview for a  
21 job and the discussion about your pros and cons  
22 be done in a public setting streamed live on  
23 the web. It's asking a tremendous amount of  
24 our candidates.

1           Not all of our candidates were  
2 willing to do it. We lost candidates for this  
3 and other positions because of an unwillingness  
4 to subject themselves to this very unusual kind  
5 of a process. So, I particularly want to thank  
6 Mr. Bedrosian and Mr. LaBoy for their  
7 willingness to go through this with us. It  
8 would not be our first choice.

9           Just as to process, after Mr.  
10 Bedrosian and Mr. LaBoy make their opening  
11 comments, we will simply go around the table  
12 and ask questions one by one and stick with  
13 each candidate for as long as it takes.

14           With that unless any other  
15 Commissioner has anything to say, we will pass  
16 the ball over to you.

17           MR. BEDROSIAN: Thank you. Let me  
18 start by thanking Commissioner Stebbins. He  
19 outlined a rigorous process. It was a rigorous  
20 process. It was thoughtful. It was long. It  
21 did give me an opportunity to meet with staff.  
22 I know a bunch of staff from my previous  
23 positions, but gained insights I don't think I  
24 would have gotten otherwise.

1           If it's okay with the Commission,  
2 I'd like to tell you a bit about myself  
3 personally, and then explain my professional  
4 qualifications.

5           My name is Edward Bedrosian, Jr.  
6 You didn't ask, but I am 51-years-old. If you  
7 ever get the chance to meet my wife, Wendy, you  
8 will realize I married well above my station in  
9 life.

10           I have three wonderful children.  
11 Two daughters who are teenagers and a son who  
12 is 11. I'm very lucky. My parents are still  
13 vibrant, around, live in the Back Bay. I live  
14 in the MetroWest area. I have two sisters, one  
15 in the MetroWest area, one in Denver.

16           My wife and I through our siblings  
17 have a great collection of nieces and nephews.  
18 We have two dogs, which makes us a dog family  
19 not a family with a dog. And at one point we  
20 had a hedgehog.

21           So, having said that, my  
22 professional background. I graduated from  
23 Georgetown University in the mid-eighties when  
24 they were a basketball powerhouse. After that

1 I went to George Washington University. So, I  
2 spent some time in Washington, DC.

3 After Georgetown, I was at George  
4 Washington and I came back to the Boston area  
5 where my family is and I got a job in the  
6 Middlesex District Attorney's Office when Tom  
7 Reilly was the district attorney. Marty Meehan  
8 probably doesn't remember it, but he was the  
9 first assistant. He actually hired me.

10 CHAIRMAN CROSBY: Marty Meehan?

11 MR. BEDROSIAN: Marty Meehan, yes.

12 I spent years working for Tom as a line  
13 prosecutor learning how to prosecute and  
14 investigate cases.

15 When Tom became the Attorney  
16 General, I stayed with then District Attorney  
17 Coakley, moved up into management and got a  
18 great management experience with her managing  
19 the special investigations unit, continuing on  
20 major felony prosecutions.

21 And I followed her when she went to  
22 the Attorney General's office in at that time  
23 an executive management position. I then  
24 became the First Assistant Attorney General

1 after David Friedman who was the first First  
2 Assistant Attorney General left.

3 In that capacity, obviously, the  
4 Attorney General's office has approximately 500  
5 employees. They have affirmative defense  
6 litigation responsibilities, regulatory  
7 responsibilities. I really gained great not  
8 just criminal -- I strayed away from criminal.  
9 -- but regulatory and leadership management  
10 position.

11 It was during that timeframe again  
12 with the assistance of my wife, we made a  
13 decision for me to go and do an executive MBA  
14 at Boston University to get more management  
15 experience, because I found out that I might  
16 have been, quite frankly, a better manager than  
17 I was a lawyer. I liked management.

18 So, for an 18-month period, my wife  
19 basically became a single mom and dealt with my  
20 three kids as I went and did an MBA program,  
21 which consisted of taking every other Friday  
22 and Saturday and going to school and having  
23 four residency weeks during that period.

24 And I learned a lot about the

1 private sector. How folks from the private  
2 sector viewed the public sector. I had to go  
3 back to being a student, learn about marketing,  
4 finance, all disciplines I really didn't have  
5 any background in. It was a tremendous,  
6 tremendous experience. I was one of the older,  
7 not the oldest, one of the older folks in the  
8 class.

9 But it really solidified for me that  
10 I truly liked management, not necessarily in  
11 the private sector. There are other ways to  
12 incentivize people.

13 As my career in the Attorney  
14 General's office was ending my friend, Martha  
15 Coakley, was running for governor. I had been  
16 approached -- During my career at the Attorney  
17 General's office, I had spent a lot of time  
18 representing the Commonwealth in the office, in  
19 the National Association of Attorney Generals  
20 where I gained a lot of friendships in  
21 colleagues in attorney generals all over the  
22 country.

23 I was approached by the former  
24 Washington State Attorney General to join him.



1 And the person who had his job office in that  
2 office, the chief deputy who had gone to the  
3 private sector to join them in a national  
4 practice at a law firm Orrick, Herrington and  
5 Sutcliffe representing companies with all the  
6 state attorney generals.

7 And there's a small group within the  
8 firm, the public policy group that represents  
9 companies not only with state attorney generals  
10 but with state legislators and other  
11 regulators. That's what I've had the pleasure  
12 of doing for the last 18 months with my two  
13 friends from Washington state. So, I work in a  
14 national practice. Just my personal and  
15 professional background.

16 Why I think I'm uniquely qualified  
17 for the position at this point, I have in my  
18 work with the Attorney General's office started  
19 working on Expanded Gaming Act before it was  
20 Expanded Gaming Act.

21 In 2010, as the Legislature debated  
22 whether they would engage in Expanded Gaming  
23 Act, I worked with our then head of policy and  
24 government division at the request of the

1 Legislature and also the Attorney General to  
2 look at some unique aspects of the gaming  
3 regulatory industry and make some  
4 recommendations about what might or might not  
5 work in Massachusetts. And we were tasked with  
6 a number of items for the Legislature.

7 One was to look at the different  
8 regulatory structures, how they related to the  
9 Attorney General's office and make  
10 recommendations. The other was were the  
11 Massachusetts criminal statutes up to snuff  
12 where they needed to be if expanded gaming was  
13 allowed in Massachusetts.

14 So, I had early on in 2010,  
15 obviously this wasn't a full-time job but was  
16 part of what I did with that person, we did a  
17 lot of research. We did a lot of looking at  
18 different regulatory statutes.

19 It really came down to two sort of  
20 different ends of the spectrum, one being  
21 Nevada, one being New Jersey. In Nevada, as  
22 you know, the gaming commission is a very  
23 strong commission, standalone. The Attorney  
24 General's office really only advises the Nevada

1 Gaming Commission in terms of having a few of  
2 their lawyers help them with the regulations.

3 And New Jersey is the other end  
4 where the Commission is quasi-judicial very  
5 strong presence in the gaming enforcement  
6 division, in the Attorney General's office,  
7 very large gaming enforcement presence in the  
8 Attorney General's office.

9 In the end, we came down with the  
10 recommendation it was probably somewhere in  
11 between and may be more towards the Nevada  
12 model, which was strong independent commission  
13 but with some type of responsibility in the  
14 Attorney General's office but not like New  
15 Jersey. Of course, New Jersey is slightly  
16 different, and obviously Commissioner Cameron  
17 knows this, the Attorney General in that state  
18 is appointed not elected.

19 So, we recommended and the  
20 Legislature adopted a gaming enforcement  
21 division within the Attorney General's office.  
22 That was created really for two reasons. One  
23 was to enforce criminal gaming violations.  
24 There would be an entity that had sort of

1 consistency across the state.

2           And also potentially in the very  
3 unlikely instance to sort of watch the  
4 Commission. If there was any hanky-panky and  
5 sort of views early on about what the entry to  
6 gaming in Massachusetts meant. That might have  
7 changed, it might not. Then we made  
8 recommendations about criminal statutes that  
9 should be updated.

10           The other thing -- So, I have a  
11 background, so I'm not unfamiliar. I also  
12 helped the Commission in its early days. It  
13 was involved in the commissioner selection  
14 process on behalf of then Attorney General  
15 Coakley. And the Commission itself, I remember  
16 quite frankly when the Chair and Ms. Reilly  
17 were the only two members of the Commission.  
18 You were staff and the Commission.

19           CHAIRMAN CROSBY: You remember that  
20 too?

21           MR. BEDROSIAN: Yes. And remember  
22 imparting to you that you were subject to the  
23 open meeting law. And to your credit, I think  
24 the Commission has embraced that in a way that

1 I would not have expected.

2 But I was able to watch the  
3 Commission as it grew through the selection  
4 process of the Commissioners. You didn't have  
5 any staff then. So, you had to be staff and  
6 grow staff very early on. I think at the  
7 Attorney General's office we made a decision to  
8 support you in every way we can.

9 I remember there was a point at  
10 which your regulatory process was getting  
11 slowed down and you asked for help and we sent  
12 over Loretta Lillios. She said I'm only going  
13 to go for 90 days. And I said no, you're not.  
14 And she stayed.

15 She stayed for the exact reason I  
16 think that I want to come, which is it's an  
17 exciting time. In the life of the Commission,  
18 there will only be one Commission or one  
19 foundation of the gaming industry in  
20 Massachusetts and your building it now.  
21 Eventually, you will get into the traditional  
22 regulatory role of regulating ongoing licensees  
23 and categories but you're not there yet.

24 And the way I think I can help that

1 is through my work both as a prosecutor early  
2 on but more so as a manager of a large diverse  
3 regulatory agency, I understand how to lead,  
4 not just manage but how to lead a diverse  
5 organization in this particular market. This  
6 is a challenging market.

7 I'm probably preaching to the choir.  
8 I have been in an environment with an agency  
9 that's under scrutiny whether it's just based  
10 on policy decisions, litigation decisions,  
11 election cycles. I know what it takes to lead  
12 folks in that scrutinized environment.

13 The other thing is I like to work in  
14 healthy organizations where people like to come  
15 and work. I get the sense that's happening  
16 here. There's a difference between being a  
17 manager and a leader. A manager can simply  
18 check the boxes and make the trains run on time  
19 and that's an important task.

20 A leader, I'd suggest, makes the  
21 trains run on time, and I think I've used this  
22 analogy with one of you before, but can slow  
23 them down, speed them up and staff agrees with  
24 you and understands why you are doing it. And

1 buys into that and wants to help you do it as  
2 much as you want to help them to that job.

3 So, those are -- I rambled a little  
4 bit but those are some of the highlight of the  
5 qualities that I think I would bring to the  
6 Commission. Obviously, you'll have questions  
7 about my specific skill sets I would imagine.

8 CHAIRMAN CROSBY: Thank you very  
9 much, Mr. Bedrosian. And thank you for your  
10 candidness. Commissioner Cameron, do you want  
11 to start off?

12 COMMISSIONER CAMERON: Sure, Mr.  
13 Chair. Thank you, Mr. Bedrosian thank you for  
14 coming.

15 MR. BEDROSIAN: You're welcome.

16 COMMISSIONER CAMERON: You did a  
17 very nice summary of your qualifications, your  
18 background. So, I'm not going to dwell on  
19 those areas. You started to touch on  
20 leadership which is something that is very  
21 important to me, frankly, effective leadership.

22 Unique setting here Commissioners,  
23 directors and staff, I would like to hear more  
24 about some specifics on how you think you could

1 add value, how you could effectively lead,  
2 communicate, problem solve, those kinds of  
3 specifics.

4 MR. BEDROSIAN: Sure. Let's talk  
5 about the unique nature of the job. Most  
6 executive directors, not all, but most  
7 executive directors work for a part-time board  
8 and they get strategic advice once a month  
9 maybe more often than that. And then they are  
10 left on their own to go implement that.

11 This is a really unique animal. Not  
12 only are you all full-time, but as the Chair  
13 mentioned, you are operating under the auspices  
14 of the open meeting law.

15 So, you exist in a full-time  
16 environment in which you can only communicate  
17 like you are now at public meetings. So, the  
18 job, the leadership job I think of the  
19 executive director is also not only to manage  
20 down but also to manage up to manage between.

21 You have a really good staff who  
22 appears by all aspects to be working hard. One  
23 of the things I heard during my interviews with  
24 staff is there's a little I don't want to say



1 confusion, but there are challenges about who  
2 is managing staff, quite frankly. And you all  
3 are high-performing individuals who are the  
4 managers of staff because you had to be  
5 managers of staff, because quite frankly at  
6 first you were staff.

7           Then you had staff come in and you  
8 are all very smart talented people. And if you  
9 saw things that weren't working right, your  
10 natural instinct is to fix them.

11           So, in terms of leadership, I think  
12 one of the things, one of the discussions that  
13 can happen is just about the current  
14 relationship of the Commission and staff and  
15 who is running staff.

16           By saying that I'm not suggesting  
17 the executive director should come in cut off  
18 communication, because you all have a history  
19 that neither of the executive director  
20 candidates is going to have. You all are very  
21 talented valuable people who are as I've sort  
22 of watched the Commission have sort of  
23 developed your own expertise within the  
24 Commission.

1           And I think it's appropriate that  
2 you should continue to add and manage staff as  
3 you think it's appropriate.

4           But for the executive director, I  
5 think if the executive director is going to do  
6 the job, the executive director also has to be  
7 involved in that management in that leadership,  
8 because (A) I think you want to be fair to  
9 staff. And (B) as the executive director who  
10 works for the whole Commission, not a  
11 particular Commissioner, the whole Commission  
12 but has the ability to communicate individually  
13 with each Commissioner that uniquely  
14 Commissioners don't have the ability to  
15 communicate with each other.

16           But as the executive director tries  
17 to manage up and down if Commissioners have  
18 individual relationships with staff and are  
19 managing staff outside of the purview of the  
20 executive director, the executive director does  
21 not have the benefit of all of the information  
22 the executive director has when he goes in to  
23 see a particular Commissioner because you don't  
24 know what's just happened.

1           So, when I worked with the Attorney  
2 General, there were people who wanted access to  
3 the Attorney General. That was totally  
4 appropriate. I didn't guard access to the  
5 Attorney General as a first assistant. But  
6 what I did need to know was what happened  
7 during that communication, what happened during  
8 your interaction so I could effectively both  
9 manage and lead the organization.

10           COMMISSIONER CAMERON: Thank you.

11           CHAIRMAN CROSBY: Commissioner?

12           COMMISSIONER MACDONALD: This may be  
13 somewhat of a follow-up, but don't feel  
14 yourself constrained to stay within the  
15 boundaries of Commissioner Cameron question.

16           From what you know of the Commission  
17 and its operation, the Commissioners and the  
18 staff, are there any unusual or unique features  
19 of this agency that in your view pose a  
20 particular challenge to the person who is  
21 inhabiting the executive director's position?

22           MR. BEDROSIAN: Well, the unique one  
23 is that the Commission operates under the open  
24 meeting law. And that the executive director

1 couldn't just call all of the Commissioners  
2 together outside of a public meeting to get a  
3 view of something that may be time sensitive or  
4 pressing.

5           That was in fact one of the things I  
6 was directly responsible for in the AG's office  
7 was the open meeting law. So, I'm intimately  
8 familiar with the restrictions on it.

9           But in terms of are there other  
10 aspects of the Commission that are unique, no.  
11 You are a regulatory agency. You are a  
12 traditional regulatory agency. You operate in  
13 a unique environment. You have some  
14 independence. You are hyper scrutinized. That  
15 may be a little unique but the operation of the  
16 actual regulatory agency is that of a  
17 traditional regulatory agency.

18           As I said, in the history of this  
19 regulatory agency, this is a unique time. You  
20 are building the foundation for something that  
21 hopefully lasts for a long time. I think  
22 because of that you are hyper scrutinized and  
23 it's appropriate. And you do everything you  
24 can to get it right.

1                   COMMISSIONER MACDONALD: In your  
2 view, the statutory structure of the Commission  
3 with the full-time Commission members and then  
4 the organization of the staff within the  
5 responsibilities of the various directors below  
6 the Commission is ordinary in your experience?

7                   MR. BEDROSIAN: Ordinary, I don't  
8 mean ordinary in the sense of the meaning. It  
9 is I would say more traditional. Certainly, in  
10 looking at other gaming agencies, the types of  
11 units that you all have set up seem to be  
12 consistent with what I've seen in other  
13 agencies.

14                   So, that's what I mean. Maybe if I  
15 use the term ordinary that's what I meant by  
16 that. I don't think there's anything -- The  
17 23K is what I would call the framework of the  
18 regulatory structure. It is just literally --  
19 it's the frame of the house.

20                   You all have had the discretion --  
21 Commissioner I know you're new, but the  
22 Commissioners have the discretion to fill the  
23 frame. How are the rooms built? What does the  
24 roof look like? And you've done that through

1 your regulations.

2           And you have a lot of discretion  
3 within the framework of how that house is going  
4 to look. There is some talk about having a  
5 chief financial officer and what they have to  
6 do. But generally, the way you have structured  
7 the Commission is all discretionary within the  
8 framework of that particular house.

9           Everything is always open to review  
10 and updating. But what you currently have  
11 appears to be very consistent and appropriate  
12 with other agencies I've seen.

13           CHAIRMAN CROSBY: Commissioner  
14 Zuniga?

15           COMMISSIONER STEBBINS: I have a  
16 number questions but I want to follow up on a  
17 couple of things that we already touched on.

18           On the open meeting law, you  
19 mentioned in your remarks that we have embraced  
20 it in a way that you probably didn't expect.  
21 Frankly, I don't see that changing.

22           I know what you mean in terms of  
23 something comes up in between open meetings and  
24 that's critical. And we need to have the

1 ability organizationally to respond, etc. And  
2 there's indeed a lot of things that we've  
3 effectively delegated to staff and so on.

4 Help me understand a little bit more  
5 your approach to, and maybe I'll do an analogy  
6 and tell me that sort of works or how do you  
7 view it differently.

8 Forgive the sports analogy, but it's  
9 both tempting and fun. I see this Commission  
10 as calling the plays, the quarterback -- I'm  
11 sorry, not the quarterback, the coach. The  
12 group of coaches, we set the strategy. We set  
13 the direction. And in many ways we from day-  
14 to-day between week and week, if you will,  
15 because we don't meet every day we make the  
16 strategic decisions.

17 Perhaps the executive director is  
18 more in a position of a quarterback where they  
19 have to go execute those plays. And at times  
20 they have input, very critical. At times they  
21 need to be tactical and react quickly. But we  
22 all have a role in doing this.

23 And a complicating piece perhaps  
24 that you alluded as well is we've played that

1 quarterback role at different times. And  
2 there's tempted, some of us, we have, we the  
3 Commissioners and there might be a temptation  
4 to come back and do it again because I was  
5 acting as the chief financial officer to come  
6 and weigh in.

7 To me, that tension always gets  
8 resolved in an open public meeting. Do you  
9 agree with that notion? How you do view the  
10 analogy?

11 MR. BEDROSIAN: I'll try to follow  
12 up on the sports analogy but first let me just  
13 clarify.

14 CHAIRMAN CROSBY: Don't throw in the  
15 double coverage.

16 MR. BEDROSIAN: First let me clarify  
17 what I meant when I said you embraced it in a  
18 way I didn't anticipate. Without disclosing  
19 attorney/client privilege, when we told the  
20 Chairman he was subject to open public meeting  
21 law, I wish I had a picture of his face.

22 When I say embrace, look we are  
23 streaming. You took technology and said okay,  
24 you want an open meeting, we are going to give



1 you an open meeting. That was what I mean that  
2 you really embraced it. And for the good. You  
3 put -- Associated issue, public records, you  
4 guys post everything within limits obviously.  
5 There are limits. But you post everything.  
6 That's to explain my previous comment.

7 But now to get your question, I see  
8 the executive director yes, as a quarterback  
9 executing, and the quarterbacks need a lot of  
10 help, right? Quarterbacks don't exist on their  
11 own. They have lines. They have running  
12 backs. They have receivers.

13 But I also see my view of the  
14 executive director I think is more like a  
15 referee. I have never been the type of person  
16 who wants to be a big personality in the room,  
17 wants to get a lot of limelight or credit.

18 I am just as happy -- One of the  
19 things I really loved about management is  
20 identifying staff who does a really good job.  
21 I use the analogy about a referee because if a  
22 referee calls a good game, they're really not  
23 noticed. It's only when they screw up that  
24 they get noticed.

1           And from my view, I hope I would be  
2 the type of executive director who has called a  
3 good game. Staff has done the work that they  
4 are delegated to do. They are the ones getting  
5 the credit. And they are the ones executing  
6 the play that is called by the Commission.

7           That's the best sports analogy I  
8 got.

9           COMMISSIONER ZUNIGA: Thank you.

10          CHAIRMAN CROSBY: Did you want to --

11          COMMISSIONER ZUNIGA: I have a  
12 number and I suspect that we keep it like we  
13 have and we'll touch on some of the ones that I  
14 had.

15          Let me speak a little bit to our  
16 Investigations and Enforcement Bureau that you  
17 also mentioned earlier. The Gaming Act has  
18 that Bureau reporting to the Chair.

19          MR. BEDROSIAN: Correct.

20          COMMISSIONER ZUNIGA: We delegated  
21 that to the executive director. We can get  
22 into the history for that but that would be  
23 lengthy. We could always take it back. There  
24 was an initial -- It was critical to be very

1 diligent and very intrusive on the  
2 investigations of the licensees.

3           In my view that has diminished a  
4 little bit now that licensees have been found  
5 suitable. And our attention turns into  
6 licensing individuals, licensing vendors that  
7 have been licensed in many other jurisdictions.  
8 And investigators, and perhaps you know this  
9 because you have with your background  
10 encountered many or dealt with many, might have  
11 an incentive to keep investigating just like  
12 researchers who we deal with have an incentive  
13 to keep doing research. That's what they do.

14           In addition to that a lot of what  
15 the IEB does and deals with, for example  
16 internal controls, it's in the day-to-day of  
17 the casino, understanding that procedures are  
18 being followed, etc., but the internal controls  
19 are approved by the executive director  
20 currently. And variances on those controls  
21 come to the executive director. The first  
22 variance requests from the applicants.

23           So with all that backdrop, how do  
24 you see that role especially with something

1 that is very near and dear to me, which is  
2 accomplishing many other goals of the Gaming  
3 Act like economic development, opportunities  
4 for underemployed people where the force of an  
5 investigation might tell us something but the  
6 balance of that is there's got to be  
7 opportunities for people and we also have to  
8 make this work as in investigate enough but  
9 move on.

10 MR. BEDROSIAN: So, I certainly come  
11 from a strong sort of criminal prosecutorial  
12 background. But I want to be clear, that's  
13 been tempered by years of other experience.

14 It's been tempered a bit by my MBA  
15 experience. It's also been tempered by my  
16 current job in which sometimes I'm on the  
17 defensive side of representing folks with state  
18 regulators. I see different quality of state  
19 regulators doing different things. And I've  
20 seen the effects on private clients, what that  
21 actually means.

22 I think it's an interesting  
23 conversation, an appropriate conversation to  
24 have now, as you've pointed out that you have

1 licensed the Category 1 two -- I'm sorry, two  
2 Category 1 and one Category 2 license which was  
3 obviously a big deal. Now you do get down to  
4 supply chain.

5           What does it mean to be a vendor  
6 five levels removed from the Category 1  
7 license? You might be a minority veteran's  
8 vendor or something like that subject to a type  
9 of scrutiny you've never been through before.  
10 Or maybe you have been through it in another  
11 state. I think it's good to have a discussion  
12 about reciprocity, what that means.

13           If you have been vetted in New  
14 Jersey or another state, I certainly would  
15 absolutely want the input of the Investigations  
16 and Enforcement Bureau about their view of  
17 that. But we're not the first state to invite  
18 gaming in and license gaming and open large  
19 casinos even with these two particular, MGM and  
20 Wynn.

21           We should use the expertises out  
22 there in other states. We should consider what  
23 the appropriate level of scrutiny is as we get  
24 further down the supply chain.

1           Having said that, I read the  
2 beginning of 23K in the preamble where the  
3 Legislature talks about what their intent is.  
4 Absolutely economic development and quite  
5 frankly, Commissioner, I view this is an  
6 economic development bill. I personally am  
7 very neutral on gaming.

8           I've probably been to a casino maybe  
9 four times in my life usually in conjunction,  
10 never as a destination, in conjunction with  
11 some other activity. So, one of the reasons I  
12 want to get involved in this, and people can  
13 debate about whether this is a long-term  
14 economic benefit or not, I get it.

15           And I think I've said this  
16 individually to some of you I met, I don't know  
17 another industry that's going to spend \$900  
18 million in Springfield and \$1.7 in Everett  
19 right now. So, there's a lot of opportunity,  
20 but we got to get this right. But I think it's  
21 a healthy time to have the discussion about  
22 what is licensing? What is the review process?

23           I've been a prosecutor. I've been  
24 the, you know, if everything's a nail you're a

1 hammer type mentality, but I've also had to  
2 change my views on certain things. So, I think  
3 if I was the executive director having that  
4 discussion, I'd come to it with some  
5 credibility because of my background.

6 COMMISSIONER ZUNIGA: What was that?  
7 I'm sorry.

8 MR. BEDROSIAN: I said if I had that  
9 discussion with the regulators and the state  
10 police, I come at it with some credibility.  
11 I've been a prosecutor. I've done some of  
12 these things. So, it's appropriate time.

13 Look, you all have regulations that  
14 I am sure you will revisit every now and then.  
15 Everything you do the first time isn't written  
16 in stone and it isn't perfect. You have to be  
17 flexible enough to change some of your ideas.

18 COMMISSIONER ZUNIGA: Thank you.  
19 Let me mention one thing on the theme of budget  
20 which as you know I'm the Treasurer.

21 CHAIRMAN CROSBY: Let me move onto  
22 Bruce. We're just going to do one at a time,  
23 follow up on something else but one of your  
24 own. Commissioner Stebbins.

1                   COMMISSIONER STEBBINS: Ed, thank  
2 you. One of the comments you made, which was  
3 around your interest in this job is you still  
4 see us in the kind of building the foundation  
5 phase. To the degree you want to kind of  
6 detail that you can, but let me try to tighten  
7 it up for you in the next question, which is  
8 you are sitting in the ED's position. You're  
9 thinking about kind of a work plan or a work  
10 strategy. And you can take it out six months  
11 or a year, keeping the notion -- keeping in  
12 mind this notion of building the foundation.  
13 What would you see as some of the key  
14 components of that plan as you start?

15                   MR. BEDROSIAN: Because I think that  
16 leadership is so important, I don't think I can  
17 give you a five-point plan in terms I would do  
18 this, I'd do that.

19                   Certainly, Commissioner Zuniga  
20 talked about one aspect of it, which is sort of  
21 reviewing how things are done and coming in  
22 with a little bit of an eye of skepticism and  
23 saying are they being done appropriate? Just  
24 because they've been this way for the last six



1 months, you're not an incredibly old  
2 organization, is it appropriate?

3 But the most important thing I think  
4 I can do for 30 days, 60 days, 90 days even six  
5 months is either renew or develop relationships  
6 and trust. Because quite frankly, leadership  
7 is not -- You're not going to anoint an ED and  
8 say oh, my gosh, go do this. We trust you.

9 I know some of you, but I've worked  
10 with you in different capacities. I hope  
11 you've gotten a sense of my personality in  
12 those interactions. But that doesn't  
13 necessarily mean you trust me or you actually  
14 know me that well.

15 I need to develop trust with you. I  
16 need to develop a relationship with you. I  
17 need to do the same thing with staff. I know a  
18 lot of staff. I've worked with some of these  
19 staff members, but I would need to have  
20 individual discussions with staff.

21 How can I help you do your job  
22 better? What is it that you think that needs  
23 help with this organization? Because in my  
24 experience you'd be surprised, you can ask

1 anyone from the receptionist to a director,  
2 they're going to have some thought, and they're  
3 going to be helpful in areas that I never  
4 would've thought of or I never would have  
5 considered.

6 I don't have -- I'm not going to go  
7 in and say I'm going to look at this particular  
8 regulation or that particular regulation. But  
9 I think I'm going to do what a leader would  
10 need to do in terms of developing the  
11 relationships with each of you individually as  
12 the Commission and staff.

13 COMMISSIONER STEBBINS: Thank you.

14 CHAIRMAN CROSBY: As you have seen  
15 us unfold and now have been watching this  
16 process, watching us in this most recent period  
17 of time, what do you see as the biggest  
18 challenge facing our agency in the foreseeable  
19 future?

20 MR. BEDROSIAN: I think from my  
21 perspective as the ED, I would want to come in  
22 and not slow things down. The biggest  
23 challenge I think will be resolving Region C.  
24 Once you do that resolve it one way or the

1 other, the path is clear, I think, for what's  
2 going to happen in the next few years in terms  
3 of construction.

4           The other challenge, I think, and  
5 it's a good challenge is that it feels like the  
6 Commission is at a place where you can  
7 proactively promote some of the agenda items,  
8 some of the core mission items that you haven't  
9 been able to do yet because for the first few  
10 years of the Commission, you were defined by  
11 things that were outside your control whether  
12 they were lawsuits, press. There were personal  
13 lawsuits, you know that. I remember that.  
14 That was a tough time.

15           But I think you all knew going into  
16 this it was hand-to-hand combat. It was tough  
17 stuff. And it feels like, I don't want to get  
18 too into the weeds but some of the Boston  
19 litigation may be resolved, it may not. Some  
20 of the big lawsuits that might have had  
21 inflammatory language that really helped, I  
22 think, define what you did, maybe not fairly,  
23 in the public's mind. Those have sort of may  
24 be gone by the wayside.

1           And the real process of building the  
2 casinos and economic development, people, a lot  
3 of construction workers having jobs. So, I  
4 think there is a challenge and an opportunity  
5 for the Commission to sort of help people  
6 understand more that 23K is about more than  
7 just gaming.

8           It's about diversity hiring. It's  
9 about problem gaming. One of the things I  
10 really like about the statute is that when we  
11 were, Jenna Stark and I, the woman helping me,  
12 when we were trying to figure out on behalf of  
13 the Attorney General, what are the effects of  
14 introducing gaming into a particular region,  
15 and from the Attorney General's point of view,  
16 one of the things we wanted to know about were  
17 what's the effect on crime?

18           There was no baseline study on that.  
19 It was all anecdotal. So, every time we called  
20 somebody they'd say well, I think domestics  
21 went up. Well, I think there are a lot of  
22 OUIs. But there was no baseline study.

23           I don't think people appreciate, and  
24 I talk to my friends about this and maybe you

1 talk to friends about this, for a lot of people  
2 it is only about gaming. They don't understand  
3 any of the other aspects of 23K.

4 CHAIRMAN CROSBY: Thank you.

5 COMMISSIONER CAMERON: Mr.  
6 Bedrosian, I have a follow-up question which  
7 kind of touches on a lot of the questions and  
8 many of the comments you've made. But we found  
9 in three and a half plus years that we've  
10 needed to communicate effectively, interact  
11 with a number of other agencies between  
12 international and other national gaming  
13 regulators, federal law enforcement, state law  
14 enforcement, the Attorney General's office,  
15 legislators, local officials.

16 Coming from a law-enforcement  
17 background, you know some of those folks  
18 skipped kindergarten and they don't always play  
19 well in the sandbox. To me personally, it is  
20 really important. And you touched on  
21 relationships that we have positive  
22 relationships whether that be MOU, sharing  
23 information or keeping it safe and secure,  
24 which frankly is going to mean effective

1 working environment with local, state, federal.

2           So far, I think we've done a very  
3 good job but I just would like to hear more  
4 about your thoughts. First of all, your  
5 experience working well with other agencies and  
6 how you see this, and how you could effectively  
7 continue along those lines here?

8           MR. BEDROSIAN: Sure. So, one of  
9 the advantages of being the First Assistant  
10 Attorney General is just by virtue of the title  
11 you got to make a lot of relationships.

12           Now having said that, I think the  
13 title is one thing but then you have to back it  
14 up with the right temperament, the right  
15 demeanor and the ability to interact and play  
16 well with others. And I think I have done  
17 that. I have a lot, I know not only in the  
18 law-enforcement area, but in regulators who  
19 might be concerned about activities of the  
20 Commission whether it's the Attorney General,  
21 the Auditor of the Inspector General, Ethics  
22 Commission, I know all of those folks. I've  
23 had to deal with local officials too.

24           So, I think there is an internal

1 component to being the executive director,  
2 which is make sure the staff is led well, the  
3 Commission has the information it needs. And  
4 then there is an external component to being a  
5 liaison. Mr. Ziemba does a fantastic job but  
6 there's ability maybe more on policy to be an  
7 effective representative of the Commission  
8 externally. I've had to do that job on behalf  
9 of the Attorney General in the past.

10           So, I know the local players and  
11 stakeholders. And I hope they would find -- My  
12 personality, I am open type of person. I think  
13 I am approachable. And I am receptive to --  
14 It's important to have I think someone at a  
15 high level who stakeholders -- And also look,  
16 there are folks who don't like gaming and they  
17 should be accounted for in this process also.  
18 And I think they are very important people to  
19 reach out to and have relationships with.

20           I know the Commission does this, but  
21 I think as executive director, it is something  
22 I would like to do too. So, there's a law-  
23 enforcement component to that. There's a  
24 government relations component to that whether

1 it's the Legislature or other major  
2 stakeholders. There's a licensee sector  
3 component to that. That's stuff that I've done  
4 in the past and would like to do here.

5 CHAIRMAN CROSBY: Commissioner  
6 Macdonald.

7 COMMISSIONER MACDONALD: Two-part  
8 question that may overlap somewhat. We all  
9 have strengths and weaknesses. What is your  
10 greatest weakness which we ought to be aware  
11 before voting this morning or this afternoon?

12 And the second part is, and as I say  
13 it may relate to the first, looking back on  
14 your professional career what's the greatest  
15 disappointment and failure that you've had?

16 MR. BEDROSIAN: So, the weakness let  
17 me address that first. The weakness is I am in  
18 terms of sort of day-to-day gaming regulatory  
19 expertise, obviously, I'm not as deep. I  
20 understand policy. I understand some of the  
21 broader issues. That's probably my weakness.

22 And if you want to ask me a follow-  
23 up question on how I would address that I can  
24 do that but that's not part of the question,



1 but I will do that.

2 The second, the biggest failure is I  
3 think I stayed too long in the District  
4 Attorney's Office maybe. It was a function of  
5 it was a great job. I loved it but it's a  
6 young person's game. It can be very draining.

7 You see a side of life that gives  
8 you a dark sense of life that isn't necessarily  
9 true if you don't work in that environment. If  
10 my wife is watching, she is like nodding up and  
11 down right now.

12 Do you want me to address how I  
13 think I would address that weakness about the  
14 gaming regulatory experience?

15 COMMISSIONER MACDONALD: Sure.

16 MR. BEDROSIAN: I obviously haven't  
17 regulated in a pure gaming environment. But I  
18 would say this, it's a learnable skill. And  
19 the place where the Commission is right now is  
20 a unique time, I think, for someone to come in  
21 and learn.

22 But I would say this, it's more  
23 important I would say for the Commission and  
24 the staff to be the regulator experts not

1 necessarily the ED. I was rarely the subject  
2 matter expertise when I was leading issues at  
3 the Attorney General's office.

4           Whether it had to do with  
5 healthcare, consumer protection, environmental  
6 protection, labor laws, I wasn't the subject  
7 matter expertise in any of those subjects but I  
8 knew enough to ask the right questions to lead  
9 people to do their jobs.

10           In terms of whether I could learn a  
11 regulatory environment, I'll just give you one  
12 example. Part of my job when I was first  
13 assistant and worked with General Coakley was  
14 to be a representative in the National  
15 Association of Attorney Generals, which was  
16 just what it sounds like.

17           It was all of the Attorney Generals  
18 would get together. And it's a relatively  
19 active organization that meets three times a  
20 year with the Attorney Generals and senior  
21 staff and it has all sorts of subgroups.

22           One of those subgroups was the  
23 tobacco committee. I think the Chairman knows  
24 because of his history in A&F, the Attorney

1 General signed an agreement, a nationwide  
2 agreement with the tobacco industry in the late  
3 90s. It's called the Master Settlement  
4 Agreement.

5 It's an incredibly long convoluted  
6 document. If you ever have trouble getting to  
7 sleep, I'll give you a copy. But it outlined  
8 the way in which participating tobacco  
9 manufacturers would be taxed by states to  
10 compensate for public health care issues. And  
11 at the point we got involved, there was a big  
12 dispute about whether the states had followed  
13 the provisions that they agreed to.

14 And General Coakley became the  
15 cochair of the tobacco committee and promptly  
16 designated, not her responsibility, she was  
17 always cochair, but the work to me. So, I had  
18 to learn this highly complex, interrelated  
19 regulatory environment because it involved all  
20 of the different states. It had a Native  
21 American component. It had participating  
22 manufacturers, nonparticipating manufacturers.

23 And it was very important for the  
24 state. It brings in about, at least in my term

1 it brought in about quarter of a billion  
2 dollars in revenue a year. And the dispute was  
3 about almost close to \$2 billion, \$1.9 billion.

4 So, I had to learn that type of  
5 regulatory environment and negotiate with the  
6 tobacco companies about whether we could settle  
7 our dispute or not. And create a team in the  
8 Attorney General's office to lead a challenge  
9 if we were going to challenge it.

10 So, I got a vast amount of  
11 experience in learning the complicated  
12 regulatory environment, working in an  
13 interrelated field.

14 Then also, which I think relates to  
15 how I would deal with the Commission, I had to  
16 work with chief deputies and attorney generals  
17 and sort of bring them together and help them  
18 understand what this was, because most of them,  
19 quite frankly, you mention tobacco, they put  
20 their fingers in their ears just say tell us  
21 we're getting the revenue. And you had to sort  
22 of build a consensus about what would happen in  
23 this environment.

24 So, I do have -- I am not as strong

1 in the specific regulatory environment, but I  
2 think I have the skill set and the proven skill  
3 set to learn it and help staff learn it.

4 CHAIRMAN CROSBY: We've been at this  
5 for almost two hours. Let's take a real quick  
6 break.

7

8 (A recess was taken)

9

10 CHAIRMAN CROSBY: We are reconvening  
11 at about 12:20. Commissioner Zuniga, I think,  
12 had a question for Mr. Bedrosian.

13 COMMISSIONER ZUNIGA: Yes, thank  
14 you. I may speak a little bit about budget  
15 around finances. I am sure you are very  
16 familiar with the Gaming Act. So, how the  
17 construct is that we make assessments on  
18 licensees.

19 We have a number of very important  
20 initiatives, a very large research project that  
21 you alluded to. Clear direction from the  
22 Gaming Act that we took even further. A  
23 licensing management system, a central  
24 monitoring system that allows us to have here

1 in our offices pretty much every activity that  
2 happens at every slot machine and have the  
3 ability to read meters have asset control, etc.

4 We are still engaged in litigation.  
5 And that comes at a cost. And still have to  
6 engage by necessity a lot of consultants and  
7 have grown because we continue to need to grow.

8 The other side of that is we do not  
9 want to be the most expensive commission in the  
10 country by any means. And what that means at  
11 times is our choices relative to resources.  
12 Our choices relative to priorities.

13 If you speak to every division they  
14 say tell you well, I can do more if I get more.  
15 I mentioned our research group. After the  
16 first batch of research unsurprisingly, one of  
17 the big conclusions is there ought to be more  
18 research on other groups, on other details.

19 So, with all that great backdrop,  
20 how's your approach? What can you tell us  
21 about what you've already told us in terms of  
22 your approach to deal with those dynamics?

23 MR. BEDROSIAN: Sure. So, I agree  
24 that you don't want to be the most expensive

1 commission, although I think you do some unique  
2 things that other commissions don't to that  
3 justify financial resources. But you still  
4 need to make with that environment a decision  
5 about where the priorities lie.

6           As the executive director, I think  
7 my job is to present to the Commission some of  
8 these issues which obviously, Commissioner, you  
9 would know about. But in the end, it's the  
10 Commission's decision about priorities and the  
11 executive director's job to execute on that.

12           But let me give you a little bit  
13 about my background and where I have had to  
14 help make tough budgeting decisions. We all  
15 remember post-2007, eight, and nine when the  
16 economy went into the tank and state budget was  
17 appropriately cut back.

18           At the Attorney General's office  
19 much like many other public agencies, we  
20 weren't the only ones, we had to make tough  
21 decisions about priorities and budgeting. We  
22 had the same type of issues I think you are  
23 having, which is people would say if you give  
24 us more money, we can do more in areas that are

1 very, very important. And they were right.

2 Abandoned housing was important.  
3 Healthcare was important. Criminal  
4 prosecutions was important. All of those  
5 things were important, but we literally didn't  
6 have enough money to go around.

7 Part of it also was we had staffing  
8 issues. What do you do? Do you do layoffs?  
9 What do you do? And I will tell you, one of  
10 the things I think we did incredibly well was  
11 that we engaged the leadership team in these  
12 decisions.

13 We engaged them and said honestly,  
14 there's not enough money to go around. We've  
15 got to make some tough decisions. We've got to  
16 make decisions about layoffs or we've got to  
17 find out what other options are. When we  
18 engaged staff, we found out was they were, not  
19 surprising, very engaged. And there were  
20 decisions made about redistributing talent in  
21 the office.

22 Okay, someone got hired to do X.  
23 But if it meant they kept the job, they would  
24 go over to the division. We had some divisions



1 that are almost similarly situated to the  
2 Gaming Commission. They were funded by  
3 industry, the utility rate regulation, things  
4 like that. They were self-defining.

5 So, we shifted people around. We  
6 figured out what our resources were in a way  
7 that was appropriate to the times. And we  
8 engaged staff in helping us make those  
9 decisions.

10 But I found if you were honest with  
11 them and just said, look, I know what you do is  
12 important. I validate that. But right now,  
13 we've got to make some tough decisions. And  
14 you can either have the decision made without  
15 your input or you can be part of making that  
16 decision. And we went with the latter and  
17 found it was an effective way to do things.

18 COMMISSIONER ZUNIGA: Thank you.

19 CHAIRMAN CROSBY: Commissioner  
20 Stebbins?

21 COMMISSIONER STEBBINS: Not to  
22 switch topics too much or switch horses here  
23 but one of the outcomes of the expanded gaming  
24 statute was moving the regulation of horse

1 racing over to us.

2 Success of horse racing is a  
3 priority for us and certainly requires a  
4 significant amount of attention. Certainly,  
5 none of us up here are horse experts or when we  
6 came on board racing experts with maybe an  
7 exception of Commissioner Cameron who dove into  
8 all of the related issues.

9 Thinking about a new topic, a new  
10 area of learning really for all of us with the  
11 exception of our horseracing staff, how would  
12 you consider moving to address some of the  
13 issues around horse racing in the Commonwealth?

14 MR. BEDROSIAN: Honestly, this is  
15 one of the areas that would be totally new to  
16 me, also. I don't have -- I remember when I  
17 was a prosecutor hearing vaguely that there was  
18 a unit within the state police that did  
19 horseracing regulation. That was new.

20 So, I think I'm going to default  
21 back to my explanation of the fact that I can  
22 learn a new skill set. It's important.  
23 Obviously, there are other aspects to the  
24 statute that are important also. I know you

1 have some very talented staff, Dr. Lightbaum in  
2 that area. I would need to learn from them.

3 This one of the areas I will tell  
4 you, and to explain I think my question to His  
5 Honor about how would I develop the skill set,  
6 one of the things I found in public service in  
7 regulatory environments is we are not the first  
8 people to do these things.

9 We are often rarely, even when I had  
10 challenges in the Attorney General's office, we  
11 were rarely the first. Every now and then  
12 you'd get a very new subject matter but we were  
13 rarely the first to deal with it.

14 And if you had the type of  
15 relationships, established relationships across  
16 the country, I could have called a number of  
17 people and said have you ever done this, oh,  
18 yes, I've done this. They know that expert.  
19 When you call the subject matter expertises in  
20 public service, one of the things that many  
21 people don't appreciate is that they are so  
22 willing to help you.

23 They are so willing to, oh, my God,  
24 yes, we did that. And then of course they one

1 want to go back and forth with war stories, but  
2 those are the types of relationships that are  
3 important, I think I have, and that I would  
4 continue.

5           And in this particular area, I think  
6 I'd need to exercise to say I need help in this  
7 area. We all need help. And reach out to  
8 subject matter expertise. It's important. The  
9 statute said it's important. And we're going  
10 to get ourselves up to speed on this.

11           Another thing is you can't be afraid  
12 to engage industry. These are folks who have  
13 been in it a long time. You want to be careful  
14 with the stakeholder stuff, but these are folks  
15 who know it better than anyone. I think you  
16 can learn from the industry also.

17           You've got to recognize what your  
18 job is as a regulator, but it doesn't mean you  
19 can't learn from the industry.

20           COMMISSIONER STEBBINS: Thanks.

21           CHAIRMAN CROSBY: You were first  
22 assistant of a staff of about 500 you said at  
23 the AG's office. What was the diversity makeup  
24 of that staff?

1 MR. BEDROSIAN: Obviously, it  
2 changed. And I don't know if I know off the  
3 top of my head the figures. I know we worked  
4 very hard on diversity, obviously, not only  
5 within the professional ranks of the lawyers  
6 but we also had investigators, support staff,  
7 administrative assistants. We worked across  
8 the board. I don't just have to figure off the  
9 top of my head.

10 CHAIRMAN CROSBY: Do you have any  
11 idea of what percent of the 500 give or take  
12 was ethnic minority?

13 MR. BEDROSIAN: I don't. I will  
14 just tell you, so one of the challenges  
15 unquestionably we had in recruiting talented,  
16 at least legal staff, we would go to the law  
17 schools. We'd go to the job fairs where people  
18 have a lot of opportunities.

19 I will tell you one of the things  
20 that was incredibly successful in terms of  
21 diversity hiring, we started a summer  
22 internship program where we were able to invite  
23 people, and they weren't all diversity  
24 candidates, but certainly a certain segment of

1 diversity candidates come into the Attorney  
2 General's office for a period of time and  
3 rotate, whether it was a week or two weeks  
4 through three or four divisions that they found  
5 were very interesting.

6 That was incredibly helpful to  
7 attract long-term candidates to the office  
8 because now they got exposure and say this is  
9 what they do. They do a bunch of different  
10 things. That was particularly helpful for our  
11 diversity hiring.

12 CHAIRMAN CROSBY: Commissioner?

13 COMMISSIONER CAMERON: Just a  
14 follow-up on particular parts of leadership  
15 skills here. As you know, we've been at this  
16 almost four years. You mentioned this, Mr.  
17 Bedrosian, legal battles, referendums, negative  
18 articles in newspapers, which frankly for a new  
19 staff working very hard that was unsettling.  
20 That was difficult.

21 And hiring folks from different  
22 cultures, trying to bring them together and  
23 have them work under one new culture is a  
24 challenge. We've had some folks that frankly

1 struggled in that environment.

2 As the executive director, leading  
3 in say turbulent times, because I suspect they  
4 are not all over, can you give me some ideas on  
5 how you would embrace that challenge and build  
6 a team?

7 MR. BEDROSIAN: Sure. So, my  
8 experience is you need to be inclusive as the  
9 leader. Certainly, people work in silos and  
10 they have specific expertises. But what I have  
11 found is if you have a general staff meeting, I  
12 don't mean all staff but senior staff and you  
13 set an agenda that addresses items across the  
14 organization, in my experience, you will find  
15 out the people not particularly assigned to a  
16 particular agenda item or silo often have  
17 helpful comments or expertise in a way that you  
18 never would anticipate.

19 So, I raise that to address your  
20 question because people want to be involved.  
21 They want to like where they work. And they  
22 want to believe in the core mission of where  
23 they work. And I think you do that by  
24 including them in the mission, in the operation

1 of the whole organization to the extent you  
2 can, and beyond their silo.

3           And sometimes maybe you can't do  
4 that in the law-enforcement sensitive  
5 information but in other aspects. Because  
6 quite frankly, they are the ambassadors of the  
7 agency. If they are working here, and they're  
8 going out and they're interacting with their  
9 family or their friends or they're at a  
10 cocktail party or something, and some says, oh,  
11 I heard the Commission did X, Y, and Z.

12           What I don't want to happen as the  
13 executive director is someone say that's  
14 outside of my jurisdiction. I don't know  
15 anything about that and just sort of shrug it  
16 off. That's not good for the organization.  
17 They need to understand the core mission of the  
18 organization. Hopefully, agree with it and  
19 participate in it in a way that they are also  
20 ambassadors that get engaged in the whole  
21 mission.

22           COMMISSIONER MACDONALD: The  
23 Chairman asked you what the biggest challenge  
24 was in your view facing the agency. And I



1 think that you said it was resolving Region C.

2           Could you give us your thoughts on a  
3 construct, on an analytical construct of the  
4 issues as you see them?

5           MR. BEDROSIAN: I want to be  
6 careful. Obviously, I'm applying for the  
7 executive director's job that you guys are the  
8 Commission and you will be the decision-maker.

9           The way I see Region C, some of the  
10 issues associated with it, and analytically  
11 it's a very fascinating, is you have a two-part  
12 process. Let's for the sake of discussion,  
13 assume that you get to a process where you have  
14 a viable candidate and you have to make a  
15 decision about actually awarding a license, you  
16 have a bunch of different balls in the air.

17           One of which I think you've heard  
18 from the applicant about, and I think you have  
19 an independent study about market saturation,  
20 what does a third Category 1 license do to the  
21 market in Massachusetts? Is it even viable?

22           Obviously, I think the applicant  
23 would have a view on that. That's a  
24 tremendously live issue I would suggest.

1           The other one is, I wouldn't say  
2 wildcard but the entry of the Native American  
3 tribe now getting past land in trust. I am not  
4 so sure that was -- Obviously, that was part of  
5 the statute and part of the consideration. I  
6 was familiar with the first compacting process.  
7 It wasn't successful, and then the second  
8 compacting process.

9           So, now you all then have to figure  
10 out on top of market saturation with  
11 potentially another Category 1 license, what is  
12 market saturation with a Category 1 license,  
13 potential Indian tribe? I know you've heard  
14 different views about whether the Tribe's will  
15 be a long-term viable with all of these  
16 challenges. Whether a challenge would actually  
17 cut off funding or be an injunction?

18           So, there is a lot going on. But my  
19 goal as executive director would be to work  
20 with staff to make sure the Commission has as  
21 much information as possible. Then it's your  
22 job.

23           CHAIRMAN CROSBY: Commissioner  
24 Zuniga another one?

1                   COMMISSIONER ZUNIGA: Let me just  
2 refer to the mission statement. We touched on  
3 a number of things in our mission statement and  
4 our core values. But one of the things that I  
5 want to touch on now is in our mission  
6 statement it includes providing for an  
7 appropriate return on investment to the  
8 licensees.

9                   Just want to leave that open  
10 question for you. How do you view it? How do  
11 you see it being operationalized in this phase?

12                   MR. BEDROSIAN: I think it goes to  
13 the role of the regulator. Given that part of  
14 the mission statement, 23K, and quite frankly  
15 the Commonwealth through the Legislature has  
16 invited this industry in.

17                   I think the role of the regulator is  
18 to be firm but fair. They are making a huge  
19 capital investment in areas that might not get  
20 capital investment otherwise. They are really  
21 smart sophisticated people. And I think the  
22 Commission owes it to them to listen to their  
23 concerns, be fair.

24                   Things have changed. I paid

1 attention to the changes in Springfield. The  
2 Commission is in the process of reviewing  
3 those, being open and being fair. You've had  
4 some tough questions about their initial  
5 assessments and why they've changed and they're  
6 appropriate questions.

7 But you've also been receptive to  
8 what their explanation is. And their  
9 explanation is we didn't anticipate labor costs  
10 or construction costs, I think you can be  
11 skeptical about whether they should have or  
12 not, but you also have to consider what the  
13 current environment is and what this means  
14 going forward.

15 So, very important consideration,  
16 but one of many considerations that the  
17 Commission has to do. And just to repeat, I  
18 think what you need to do and you are doing is  
19 being open and giving the licensee a reasonable  
20 opportunity to explain itself and tell you why  
21 these things are necessary.

22 COMMISSIONER ZUNIGA: Thank you.

23 CHAIRMAN CROSBY: Commissioner  
24 Stebbins?

1           COMMISSIONER STEBBINS: Ed, you just  
2 mentioned I picked up on the point you talked  
3 about staff sometimes has a tendency to stay in  
4 silos. But sometimes when they step out of  
5 that silo they actually contribute to other  
6 ongoing conversations and discussions that you  
7 have.

8           Kind of building off that a little  
9 bit but getting a little more granular, share  
10 with me and my colleagues an experience you had  
11 where you had that kind of potentially internal  
12 conflict or disagreement on an issue within  
13 your department or agency. How did you  
14 approach the matter to resolve it? And then  
15 taking that experience how would you see that  
16 overlaying into your ED role?

17           MR. BEDROSIAN: So, I need to be  
18 careful because I have attorney-client  
19 privilege or did at the time some of these.  
20 But the Attorney General has a lot of different  
21 roles to play. They are an affirmative civil  
22 rights enforcer.

23           But at times, state agencies got  
24 sued for civil rights claims. So sometimes,

1 there was a healthy tension. You had to be  
2 able to defend the agency, but there was  
3 positions during that defensive litigation that  
4 might concern the affirmative civil rights  
5 folks, hypothetically.

6 And you would need to resolve the  
7 interest of those parties while yet letting the  
8 folks do their job they need to do zealously.

9 And some folks may know this,  
10 sometimes this was in cases where state  
11 officials were sued in their personal capacity.  
12 So, there was a lot at stake. So, you needed  
13 to be able to sit down and resolve those  
14 differences in a way that either both sides  
15 were happy or you just need to make a decision.

16 Because I'll tell you, sometimes the  
17 job of the person at the top is to make a  
18 decision that someone is going to be unhappy  
19 with. You just can't always make someone  
20 happy.

21 But to bring it, Commissioner  
22 Stebbins, to bring functionally how I would  
23 implement that here, my view is and early on  
24 especially when I would be getting up to

1 speed, much like I know Commissioner Macdonald  
2 is doing now, would envision having some  
3 periodic staff meeting with all of the  
4 directors with an agenda.

5 As I said, there may be some things  
6 that are sensitive that can't be discussed  
7 among the group but with an agenda and just  
8 talk about what is important at the Commission  
9 in your particular area. If they need to bring  
10 staff with them to help on the expertise, bring  
11 staff. That's what I want to hear from.

12 And granularly, I think what I will  
13 hear from other folks is they have views on  
14 that and helpful views. Sometimes maybe not  
15 constructive views and we'll deal with that.  
16 That's granularly how I'd do that.

17 COMMISSIONER STEBBINS: Thank you.

18 CHAIRMAN CROSBY: I think we've  
19 covered all the things that I was looking for.  
20 So, I am passing.

21 COMMISSIONER CAMERON: I have heard  
22 enough on the topics, everyone's topics very  
23 interesting. I'm think I'm in the same  
24 position.

1                   CHAIRMAN CROSBY:  Feel free, anybody  
2 Commissioner.

3                   COMMISSIONER MACDONALD:  I'm ready  
4 for Mr. Bedrosian's final statement.

5                   CHAIRMAN CROSBY:  Anybody else?  All  
6 set?

7                   COMMISSIONER ZUNIGA:  I'm all set  
8 too.

9                   MR. BEDROSIAN:  My final statement  
10 is actually not going to be about myself,  
11 because I think I'd just repeat what you've  
12 already heard.

13                   I have not missed Mr. LaBoy, but I'd  
14 publicly like to thank him because I know going  
15 through this process with him has made me think  
16 more deeply about what I would do and address  
17 that with you.

18                   And I know he is similarly putting  
19 himself out here to come up and do this in  
20 public in a taped department.  So, I just want  
21 to thank him and thank the Commission and staff  
22 for this opportunity.

23                   CHAIRMAN CROSBY:  Thank you very  
24 much for your time.  We appreciate it.  It is



1 12:45. We are not in deliberations. We are  
2 still in our interviews. Let's try to take a  
3 half hour. And we'll pick up again at 1:15  
4 with Mr. LaBoy, Janice. Okay. We are briefly  
5 adjourned.

6

7 (A recess was taken)

8

9 CHAIRMAN CROSBY: We are reconvening  
10 public meeting number 172 at about 1:20 in the  
11 afternoon on 9 December. And we are here  
12 joined by our second candidate for executive  
13 director, Mr. Charles LaBoy. Charles before we  
14 put the ball over to you, I just wanted to  
15 reiterate a couple of things that I said at the  
16 beginning of the meeting.

17 As you know, we operate under a very  
18 stringent open meeting law. And we under that  
19 law have to conduct our interview for this  
20 position in public. Not only conduct the  
21 interview in public but conduct the subsequent  
22 deliberations as we consider the two  
23 candidates, the two finalists.

24 And when I first mentioned this, I

1 asked everybody in the room to think about how  
2 they would like to be interviewed live in front  
3 of a public audience and streaming TV. But not  
4 everybody is willing to put themselves through  
5 this and we understand that.

6 We've lost candidates who are not  
7 willing to do this. So, we are most  
8 appreciative of your willingness to go through  
9 this with us, this whole process but  
10 particularly this particular part of the  
11 process. So, thank you.

12 We're just going to give you an  
13 opportunity, I think you were invited to make  
14 some opening comments. Then we'll just go  
15 around the room one by one and ask questions.  
16 And it will go on as long as it goes on. If  
17 you miss this plane, we'll get you to another  
18 one.

19 COMMISSIONER STEBBINS: I just want  
20 to clarify in the opening comments there was a  
21 question that we had in the first round of  
22 interviews which is take us back as far as you  
23 would appropriately like to talk about your  
24 work experience and how it kind of mirrors some

1 of the requirements and responsibilities we're  
2 looking for in the ED as it appeared in the  
3 posting.

4 MR. LABOY: Very good. First, I  
5 would like to thank the Commission for allowing  
6 me to participate in this search. It's been  
7 very comprehensive and thorough. And to reach  
8 this point where I hear there were  
9 approximately 75 applicants for this position  
10 to me is a great honor. So, I did want to  
11 express my gratitude towards that.

12 And certainly, I think whatever  
13 decision this Commission makes will certainly  
14 lead the Commonwealth forward in your oversight  
15 authority responsibilities.

16 With that I'll dive into a little  
17 bit of background about me and my career and  
18 kind of how I got to where I am today.

19 I started with the gaming industry  
20 approximately 18 years ago. I worked for a  
21 public accounting firm. I am a certified  
22 public accountant. The firm had an audit to  
23 the Kansas racing and gaming commission. So,  
24 this was introduction to me into the gambling

1 industry.

2 That organization at the time  
3 oversaw pari-mutuel, greyhound and horse racing  
4 in the state, as well as tribal gaming  
5 oversight of the four tribes in the state of  
6 Kansas.

7 My transition over to the state  
8 agency and responsibilities were primarily  
9 associated with the oversight of the accounting  
10 and fiscal operations of the organization as  
11 well as the direct oversight of the audit  
12 function for the racetracks.

13 The horseracing industry, which I am  
14 sure you well know has over the years really  
15 been faced with a lot of competition from  
16 commercial gaming and other forms of  
17 entertainment and had continually struggled to  
18 compete in that arena.

19 In Kansas, much like has happened  
20 here in Massachusetts and in other  
21 jurisdictions, the Legislature expanded the  
22 gaming opportunities to include commercial  
23 gaming.

24 And our agency at that point in time

1 had to go through a process of rediscovery in  
2 transitioning from a regulatory oversight of  
3 the pari-mutuel and tribal to commercial  
4 gaming. And there is pretty distinct  
5 differences between those type of entities.

6 That transition occurred in 2007.  
7 And I was responsible for putting together the  
8 regulatory structure, drafting of regulations  
9 for commercial gaming to include table games,  
10 which came at a later point. And also,  
11 basically redefine the agency; create new  
12 divisions and departments for the regulation of  
13 that industry.

14 I was responsible for the opening of  
15 Kansas' first casino, the Boot Hill Casino and  
16 had set in motion the regulatory procedures,  
17 the project planning, the stack of reviews that  
18 were necessary to get the additional properties  
19 up and running.

20 It was approximately 2011 is where  
21 we are. At this point in time, I was recruited  
22 to come out to Maryland who was undergoing a  
23 similar transformation process with the  
24 inclusion of commercial style gaming in that

1 jurisdiction. I made the transition over.

2 CHAIRMAN CROSBY: On top of lottery  
3 and racing?

4 MR. LABOY: In Maryland they do not  
5 have racing. It was a separate entity. I  
6 should say the state has racing, but it was  
7 under a separate entity. So, the agency had  
8 primarily lottery.

9 It was an organization, a state  
10 agency that had been operating. We just  
11 recently had the 40-year anniversary. So, it  
12 had a very long history of lottery operations.  
13 And much like what occurred in my experience in  
14 Kansas, the agency really had to redefine and  
15 create the infrastructure necessary to support  
16 casino gaming.

17 Very much different from lottery  
18 operations and needed a different skill set,  
19 individuals with different experiences and  
20 capacities to oversee the casino operations.

21 And my experience in Kansas had  
22 positioned me very well to undertake that  
23 responsibility to help Maryland transition  
24 their very early stage gaming infrastructure

1 into a more robust organization that under my  
2 leadership saw the opening of three additional  
3 gaming facilities including Maryland Live! one  
4 of the largest commercial gaming facilities in  
5 the nation.

6 And currently working on the project  
7 management of the MGM National Harbor property  
8 outside of DC.

9 CHAIRMAN CROSBY: You ready for us?

10 MR. LABOY: I am ready for you.

11 CHAIRMAN CROSBY: Commissioner  
12 Cameron?

13 COMMISSIONER CAMERON: Thank you,  
14 Mr. Chairman. Mr. LaBoy welcome. Thank you  
15 for coming in for this. Something that's  
16 important to me is effective leadership.  
17 You've had a chance to meet the Commissioners,  
18 staff, a little bit about our organization.  
19 You've had a chance to take a look at things  
20 and see what's what, how we do business.

21 How do you think you could add  
22 value, lead this organization? I'm interested  
23 in communication style, problem-solving style.  
24 Could you talk about how your previous

1 experience could help you be disorganization?

2 MR. LABOY: Certainly. In my  
3 experience in both Kansas and in Maryland, I've  
4 had the opportunity to have numerous challenges  
5 projected towards us. In some instances, going  
6 back to racing days of dealing with horsemen  
7 and competing interests over dwindling funds  
8 and resources. I've had to step into that  
9 situation and negotiate and arbitrate between  
10 the different interests in that.

11 So, that really gave me a good basis  
12 for what had been grown over the many years as  
13 really good negotiating skills. So, I think  
14 that is a key element that I am proud of and  
15 have a really good ability to understand the  
16 driving motivations behind different  
17 constituencies. And try to look for common  
18 ground between the individuals and all of the  
19 commission and the responsibilities of the  
20 agency.

21 I've had a lot of experience in the  
22 development of regulations, implementation of  
23 regulations, and really learning how those  
24 impact the industry, the gaming industry. I



1 think it's very important one to have a really  
2 good basis for putting the regulatory structure  
3 in place. But then also to have the underlying  
4 operational experience to learn about the  
5 underlying reasons why you do things.

6 That is very important in the future  
7 development and growth of the regulatory  
8 oversight. With the level of controls that are  
9 imposed on this type of industry, we really are  
10 in a position as leaders from a regulatory  
11 standpoint to both ensure that the operations  
12 incorporate the highest elements of integrity  
13 both in the operations of the individuals  
14 associated with it. That the product that is  
15 offered is fair, and that it's something that  
16 the public has the confidence in.

17 But at the same time we have the  
18 ability in what we do to impose inefficiencies  
19 on casino operations if we don't have a real  
20 good understanding of the underlying reasons  
21 for some of the things that we have put in  
22 place.

23 Over the years, certainly, I did not  
24 come with this initially, but have spent a lot

1 of time visiting other jurisdictions. I found  
2 that to be some of the most valuable learning  
3 resources for me, and understanding how things  
4 have come together, and the rationale behind  
5 it.

6 And then being able to take that  
7 moving forward and understanding that really  
8 what we seek to have is business best practices  
9 for the industry and also involve the industry  
10 that is ever-changing. And to be able to have  
11 leadership and to questioning what it is we are  
12 doing and seeing if there is a better more  
13 efficient way of doing that.

14 Some of the practices I've put in  
15 place both in Kansas and Maryland is an annual  
16 regulatory review process. Whereby I've  
17 invited the industry to come in and comment on  
18 the rules that we had put in place. And have  
19 an open dialogue and discussion about is there  
20 a better way to achieve the underlying goals of  
21 the regulatory authority, and also be mindful  
22 of business best practices and changing  
23 elements in the industry.

24 So, that I feel is an item that

1 really industry wide in both of those  
2 jurisdictions that I've served to try to be a  
3 leader in that capacity.

4 I've also had in Maryland more  
5 recently many changes in the jurisdiction as  
6 far as regulatory oversight responsibilities  
7 and changing landscape in what the Legislature  
8 had in mind for gaming.

9 As you well know, this industry is  
10 very competitive. It continues to evolve at a  
11 very rapid pace and new forms of entertainment,  
12 gambling or not, are introduced.

13 And some of the things that we had  
14 done and been exposed to in Maryland was a  
15 change in -- Let me take a step back. One of  
16 the things we had that was really different  
17 from any other jurisdiction was that the state  
18 was responsible for the procurement of the slot  
19 machines.

20 And one of the first things I did  
21 with the Maryland lottery gaming control agency  
22 was to come on board and negotiate a very  
23 substantial contract on behalf of the agency.  
24 There really was not the capacity and

1 knowledgebase within the agency to move forward  
2 with that transaction.

3           And really came in in sort of the  
4 key leadership role to negotiate with both the  
5 manufacturers and the casinos on what they were  
6 seeking for their properties to ensure that  
7 where we left off was the best position for the  
8 state.

9           As well, there were changes in the  
10 statutory requirements that transitioned  
11 ownership of properties -- slot machines from  
12 the state to the individual properties. At  
13 this point we had several thousand slot  
14 machines that were procured by the state and  
15 several thousand more that were leased by the  
16 state. This transition was a huge effort in  
17 which involved all five existing properties in  
18 Maryland as well as the half-dozen or so  
19 manufacturers related-service component  
20 individuals.

21           And it was under my leadership to  
22 come up with a plan to facilitate the  
23 transition while at the same time minimizing  
24 inefficiencies and downtime which could lead to

1 substantial revenue losses for the state.

2           And also come up with a plan to find  
3 out what to do, final resolution for the slot  
4 machines that the state had procured and was  
5 still paying for. So, that was I think one of  
6 the greater challenges logistically technically  
7 that really required me in a leadership  
8 capacity to come forward, put together the  
9 infrastructure, put together the various  
10 different stakeholders to ensure we had an  
11 orderly efficient transition.

12           COMMISSIONER CAMERON: That's very  
13 helpful. But I was actually interested in your  
14 ability to lead people. We have a talented  
15 staff who are learning this industry and come  
16 from other industries and have had substantial  
17 careers elsewhere. I'd like to hear about your  
18 style, your ability, your skills in leading a  
19 group of people toward a common mission.

20           MR. LABOY: Yes. I really value --  
21 the most critical element is to have the right  
22 people in the right positions. And have those  
23 individuals highly qualified and highly  
24 interested in what they do.

1           So, recruitment and granted you have  
2 done a very good job in the recruitment  
3 element, I think is the initial point at which  
4 you want to ensure you have a good team  
5 together to carry forward the mission.

6           With that, there is a very important  
7 role of communicating the goals, the vision,  
8 the mission statement of the organization to  
9 all individuals that have the leadership roles  
10 in that so that they understand how their roles  
11 and what they do fit into the larger object of  
12 the organization.

13           So, ensuring that that information  
14 is one put together that there is a vision and  
15 mission statement for the organization. And  
16 two that's communicated to all individuals and  
17 they understand how they play a role in that.  
18 So, communication is a very important element.

19           I also believe that you certainly  
20 can't do it all as an individual, whether it's  
21 serving as executive director or in my capacity  
22 as assistant or deputy director. That you have  
23 to be able to delegate down to individuals  
24 responsibilities that are within their area of

1 concern or authority. And ensure that they  
2 have the tools to accomplish those goals.

3 So, one the vision and two the  
4 tools. And then also I feel it's very  
5 important for someone in my capacity to have a  
6 really good strong knowledge base about the  
7 areas under my direction so that I can serve as  
8 an advisor to those individuals if they have  
9 questions on how to proceed in certain areas.

10 So, I think those are three elements  
11 that I like to incorporate in my leadership  
12 capacity. Very much value the team underneath  
13 me. And certainly I think they appreciate  
14 having the ability to have flexibility to make  
15 decisions and come forward with ideas without  
16 fear of criticism. And really have a good  
17 teamwork environment.

18 COMMISSIONER CAMERON: Thank you.

19 CHAIRMAN CROSBY: Commissioner  
20 Macdonald?

21 COMMISSIONER MACDONALD: Somewhat  
22 related but coming at it from a different  
23 perspective. In your experience in Kansas and  
24 Maryland and from your travels as you described

1 them to other jurisdictions, and in the  
2 preparation that you did in familiarizing  
3 yourself with this Commission, do you see any  
4 unusual features in the structure and  
5 organization of our organization that would  
6 pose particular challenges for the executive  
7 director for which you are applying?

8 MR. LABOY: Certainly, I understand  
9 you have very strict open meetings  
10 requirements, which really imposes a lot of  
11 restrictions on the Commission's ability to  
12 discuss issues amongst yourself outside of a  
13 public setting.

14 And also, you are one of the few  
15 commissions out there that are full-time in  
16 nature and involved at the level you are. It  
17 is my understanding that this body really is  
18 what got this organization from the ground up,  
19 and had to do very detailed work in not only  
20 learning about the industry but putting the  
21 infrastructure in place for basically getting  
22 you to the point you have.

23 With that, really the executive  
24 director in this position is going to be in a



1 much different capacity than what you would  
2 find in most other jurisdictions where the  
3 executive director is for the most part the  
4 primary decision-maker and policymaker for the  
5 agency.

6           And certainly understand that that  
7 is something that is significantly different in  
8 this jurisdiction. And as is such the director  
9 would have to work very closely with all of the  
10 members of the Commission in receiving the  
11 directive. And really before that trying to  
12 advise the Commission by utilizing the  
13 resources of both the staff in their background  
14 and knowledge but also any outside consultants  
15 that are engaged, and certainly, the executive  
16 director's own skills and experiences.

17           So, to provide advice to the  
18 commission but then also as the Commission sets  
19 the direction for the agency to facilitate that  
20 amongst the staff and our organization to make  
21 sure that everyone is moving towards the goals  
22 that have been set by the Commission.

23           I also feel that it's critical for  
24 the executive director to facilitate

1 communications between the Commission because  
2 of the restrictions you have in place. You  
3 really need someone to help coordinate the  
4 items that go on within this agency.

5 COMMISSIONER MACDONALD: Thank you.

6 CHAIRMAN CROSBY: Commissioner?

7 COMMISSIONER ZUNIGA: I'm going  
8 build on that. You alluded to this but let me  
9 insert my sports analogy here. As you  
10 mentioned, we have been very engaged from the  
11 get-go doing a lot of the work because we had  
12 to establish that infrastructure that got us  
13 where we are. That role continues to be fine-  
14 tuned for individual Commissioners and the role  
15 of the executive director as well.

16 My analogy is I see the Commission  
17 here, our full-time Commission if I could liken  
18 it to football, the team of coaches calling the  
19 plays, if you will. And perhaps the executive  
20 director being the quarterback, if you will,  
21 having to do some tactical decisions but  
22 getting some direction periodically on the  
23 direction, if you will.

24 Do you agree with that notion a

1 little bit? Or do you see other analogies that  
2 might be more relevant?

3 MR. LABOY: I think that is a really  
4 good analogy. And I know that quarterbacks do  
5 have the ability to provide feedback to the  
6 coach that may also influence the coach in the  
7 decisions that they make moving forward.

8 Because of they're in the front  
9 lines, really interacting on a daily basis with  
10 the staff on the various different policy  
11 issues that come across. Also interacting with  
12 the casinos to have that closer understanding  
13 of what's going on, and really things that the  
14 Commission because of the restrictions that you  
15 have are not able to do on a day-to-day ongoing  
16 basis.

17 So, I do think and agree with the  
18 philosophy that's certainly has been set in the  
19 statute here that the Commission is responsible  
20 for calling the plays, setting the policy  
21 direction and looking to the executive director  
22 to be the person to carry that forward and  
23 ensure that timely feedback is brought back to  
24 the Commission on what is working, what is not

1 working. What are some ideas and concepts?  
2 What are we seeing in the field? What are we  
3 seeing in the industry? To give you better  
4 tools on decision-making moving forward.

5 COMMISSIONER ZUNIGA: Thank you.

6 CHAIRMAN CROSBY: Was that follow-up  
7 or was that your question?

8 COMMISSIONER ZUNIGA: It's a  
9 question that I had that dovetails into -- Let  
10 me ask another question that bears a little bit  
11 on another area. The way we are structured  
12 here, originally the Gaming Act had our  
13 Investigations and Enforcement Bureau reporting  
14 directly to the Chair.

15 What we've done in the past is put  
16 that Deputy Director reporting to the executive  
17 director in Ms. Wells. She's currently  
18 functioning as wearing two hats, if you will.  
19 The executive director oversees effectively  
20 perhaps the largest division within this Gaming  
21 Commission is the Investigations and  
22 Enforcement Bureau. It is also as a result is  
23 one that will be engaged approving variances on  
24 internal controls, for example, that the IEB is

1 heavily involved with.

2 Can you tell us a little bit about  
3 your background in that specific area? I know  
4 with your CPA you may have done a lot of  
5 internal controls for example or thought a lot  
6 about it. What can you tell us relative to how  
7 they apply to the gaming industry and how do  
8 you see that being effectuated here?

9 MR. LABOY: I think certainly each  
10 jurisdiction out there approaches the same  
11 problem in a different way. Certainly, my  
12 experiences in Kansas and in Maryland have  
13 differed in how the organizational structure of  
14 the agency dealt with those issues.

15 I've had in Kansas, we were actually  
16 a law-enforcement agency that had sort of law-  
17 enforcement officers who were employed by the  
18 agency. Those individuals served in the  
19 capacity as background investigators and then  
20 also investigators of any violations whether it  
21 be criminal or regulatory in nature.

22 But we also had an audit component  
23 as well that was responsible for doing internal  
24 controls compliance audit.

1           So, as a result of both of those  
2 activities certainly violations of incidents  
3 would come up and be noted. And gives us an  
4 opportunity -- Gave us an opportunity to  
5 reflect on not only the controls we had in  
6 place but the level of compliance, and try to  
7 get an underlying understanding as to whether  
8 or not there were issues that were essentially  
9 being caused by the regulations themselves as  
10 opposed to a problem at a facility.

11           So those in turn, if it was  
12 identified that there was a regulation that was  
13 not necessarily achieving the goal that we had  
14 looked for in the most efficient manner, would  
15 be something that would come to me. And over  
16 the years we had developed that annual  
17 regulatory review process for the vehicle by  
18 which we looked at potential changes to  
19 regulations and whether it was appropriate or  
20 not to do that.

21           In Maryland, we do not. The agency  
22 is not a law-enforcement agency. We did for a  
23 while have an individual from the state police  
24 assigned to the agency to serve as the director

1 of enforcement and licensing. That individual  
2 has since retired from the state police, is  
3 still with the commission but in non-law-  
4 enforcement capacity.

5 The agency still had the  
6 responsibility of ensuring compliance with the  
7 rules and regulations. And certainly was very  
8 interested in any criminal activity, Banking  
9 Secrecy Act compliance, money laundering,  
10 things of those nature.

11 And really had to establish  
12 partnerships with the local police and state  
13 police to provide a vehicle for follow-up and  
14 investigations on those where appropriate.

15 At the same time, we do have an  
16 audit component that is responsible for  
17 reviewing all violations of regulations,  
18 statutes or contractual issues. Those are  
19 vetted up through the organization, looked at,  
20 reviewed. And once again items as far as  
21 potential regulatory changes may come up as a  
22 result of some of those. Quite often not  
23 though.

24 Quite often it's really just a

1 matter of the level of controls that regulators  
2 impose on the gaming industry are so vast, so  
3 numerous. And the turnover rate at these  
4 organizations is incredibly high. More often  
5 than not, it's a matter of an employee making a  
6 mistake on a control that was reviewed and  
7 approved and in place but someone had missed  
8 something.

9           A lot of what we do as far as  
10 regulating this industry is ensuring there's  
11 adequate compensating controls in place, such  
12 that if one control failed you have one or two  
13 other controls that are serving as backup  
14 controls. And that structure helps protect the  
15 integrity of the overall gaming and minimizes  
16 the risk of having kind of one thing really  
17 puts you in the area where you have a huge  
18 potential of risk for that.

19           So, similar items in both two  
20 different agencies approached in different  
21 manners. And certainly with the structure here  
22 being a little bit different, how that happens  
23 will be a little bit different.

24           But I think at the end of the day,



1 the same over underlying process of reviewing  
2 what controls you have in place, reviewing the  
3 compliance of the properties, assuring that you  
4 do not have a systematic issue at a property if  
5 there is an issue of noncompliance.

6 And certainly if there's any law-  
7 enforcement issues that need to be followed up  
8 on, whether they be organized crime, money  
9 laundering or different elements that can  
10 happen to pretty much any business that those  
11 have appropriate resources and knowledge base  
12 that can be tapped into to follow up on.

13 COMMISSIONER ZUNIGA: Thank you.

14 CHAIRMAN CROSBY: Commissioner  
15 Stebbins?

16 COMMISSIONER STEBBINS: Charles,  
17 kind of fast forward a couple of weeks. You  
18 are settling into a new agency thinking about  
19 what our immediate challenges are. You can  
20 pick up the newspaper and understand any number  
21 of those.

22 Help me understand what you would  
23 lay out for a work plan, an agenda for yourself  
24 settling into the job for the first six months

1 even take that out to a year if you want. What  
2 are the key components of that kind of work  
3 plan for yourself?

4 MR. LABOY: Certainly, I understand  
5 that you are very much involved in the  
6 selection process for your Region C property.  
7 And understand that that is something that is  
8 very front and center on your agenda.

9 And getting up to speed to see if I  
10 could be of whatever assistance you may need in  
11 that process I think would be a very high  
12 priority for me.

13 I know that there are industry wide  
14 right now issues that are resonating amongst  
15 just about all gaming jurisdiction with the  
16 fantasy sports wagering and trying to figure  
17 out what that is and how to address it. And  
18 how that may impact this regulatory body is  
19 something that I think can very quickly become  
20 a responsibility. And is something that I  
21 think would certainly need to be looked into  
22 even if it's just in an advisory capacity of  
23 how things move forward.

24 I know your first property has been

1 open for six months now coming up here pretty  
2 soon. So certainly, I would look to expand my  
3 research into the agency in understanding not  
4 only the regulations that you put in place but  
5 then also the operational procedures, how  
6 things are going in each individual  
7 departments. And certainly meet with the  
8 various different department heads and find out  
9 what their key initiatives are.

10 What are areas they are working for  
11 improvement? And gain that general basis of  
12 understanding and make sure that I can provide  
13 whatever assistance in that whether it be  
14 providing training, insight or help to  
15 establish some of the contacts I've made in the  
16 industry to address some of those issues.

17 I know that the industry overall,  
18 and particularly the Northeast has seen  
19 incredible amount of increased competition as  
20 additional jurisdictions come on board.  
21 Certainly, Massachusetts is no exception to  
22 that with the tribes in Connecticut pursuing an  
23 option for casino on the border. As well as  
24 Rhode Island looking at doing the same thing

1 with Twin Rivers Casino and coming up with a  
2 border town casino.

3 All of those things do have impact  
4 on the industry. And making sure that we  
5 understand what that potential impact may be  
6 and are able to incorporate that in our  
7 understanding and decision process moving  
8 forward.

9 One thing I've certainly learned in  
10 my experience in this industry is that it is  
11 ever-changing. And it seems like every year  
12 something new comes up.

13 Certainly, skill-based gaming was a  
14 very large topic of discussion this year at the  
15 Global Gaming Expo. I've noted that your  
16 statute provided for skill-based gaming.

17 Certainly, that is something I  
18 understand that you are in the process in  
19 seeking input from the public on that, and as  
20 another area that needs to be looked at as far  
21 as ensuring we have the infrastructure in place  
22 when it comes to regulation and knowledge base  
23 to be able to handle that if that turns out to  
24 be an element that moves forward.

1           Online gaming is another area that  
2 continues to have interest in various  
3 jurisdictions. Certainly, with that comes a  
4 lot of additional responsibilities as far as  
5 things that a regulatory jurisdiction needs to  
6 do.

7           So, those are things -- And some of  
8 them I think need to be done irregardless of  
9 where I would be in the industry but are  
10 certainly things that are important and will  
11 have an impact on the industry moving forward.

12           But just stressing really learning  
13 the team you have here, getting to know those  
14 individuals. Getting to know where you are  
15 with each of the bidders that have been awarded  
16 contract and establishing those relationships  
17 to ensure an orderly and efficient transition  
18 moving forward.

19           COMMISSIONER STEBBINS: Let me ask a  
20 follow-up because it was something I hadn't  
21 anticipated you answering, but it's an  
22 interesting point. And that was talking about  
23 the competitive nature and certainly Maryland  
24 is a competitive environment with some of the

1 surrounding jurisdictions. I'm not as familiar  
2 with Kansas.

3 But you raised the idea that looking  
4 at that competitive landscape there's some  
5 things we could do -- you would suggest there  
6 are some things we could do on the regulatory  
7 side to maybe improve the competitive landscape  
8 for the folks within your jurisdiction. Do you  
9 have an example of something that might've been  
10 done to do that?

11 MR. LABOY: Yes. In Maryland, we do  
12 not have the statutory authority explicitly to  
13 introduce skill-based gaming. And I as a  
14 common practice really try to keep up on trends  
15 in the industry. And noted for several years  
16 the industry really had been having the issue  
17 of an aging patron base and a lack of interest  
18 with the younger generation.

19 And there's been various different  
20 attempts to try to capture that audience. But  
21 certainly realized with Nevada's passing of a  
22 statute and subsequent regulations on skill-  
23 based gaming, I noticed that this was an area  
24 that in Maryland we were not able, given the

1 current existing legal statutory framework were  
2 able to participate in.

3 And to have that forward vision and  
4 want to be able to ensure that Maryland as a  
5 jurisdiction had the ability to compete in that  
6 arena and not necessarily have to play catch-up  
7 with surrounding jurisdictions who may have  
8 been able to proceed in that more quickly was  
9 something that I noted. And I had put efforts  
10 moving forward in the jurisdiction to try to  
11 ensure that we were able to compete on that  
12 front.

13 So, that's an example of how you  
14 really have to look at the region you operate  
15 in, the various different rule sets, what is  
16 coming down as far as industry trends make sure  
17 that you are positioned well to compete in  
18 those areas.

19 COMMISSIONER ZUNIGA: In this  
20 context, you refer to skill-based gaming,  
21 skill-based slots, correct?

22 MR. LABOY: Correct.

23 COMMISSIONER ZUNIGA: Different from  
24 the context of skill-based when we talk about

1 for example fantasy sports.

2 MR. LABOY: Right. This was not  
3 really the fantasy sports question. In  
4 Maryland, interestingly enough, we had passed  
5 legislation back in 2012 that authorized  
6 fantasy sports wagering, placed it under the  
7 Comptroller's office for the generation of  
8 rules and regulations.

9 This was way before anyone had  
10 anticipated daily fantasy sports emergence.  
11 And quite frankly is something that even though  
12 we have that legislation on the books, is  
13 something that Maryland is currently looking at  
14 much like you are to try to understand what  
15 this is and how to regulate and move forward.

16 But I was referring to video lottery  
17 terminals or slot machines that would  
18 incorporate some element of skill, which seems  
19 to be what the younger generation is preferring  
20 in their entertainment.

21 COMMISSIONER ZUNIGA: Thank you.

22 CHAIRMAN CROSBY: Commissioner  
23 Stebbins asked you sort of how do you face --  
24 what you'd see as priorities in your first six



1 or 12 months. As you have now seen us and as  
2 you know the industry, what would you say is  
3 the biggest challenge that we have to face or  
4 biggest challenges that this agency has to face  
5 as we go forward?

6 MR. LABOY: I think a real important  
7 piece is understanding the landscape moving  
8 forward with the moving parts both in  
9 competition from external entities and also  
10 your application in Region C and the tribal  
11 gaming facility that is moving quickly forward.

12 And to make sure that you have a  
13 sustainable industry moving forward and are not  
14 going to be in a situation where the market is  
15 oversaturated and as a result casino's ability  
16 to reinvest in their product over the long-term  
17 is diminished.

18 And I know there's been discussion  
19 yet of another potential legislation on even  
20 looking at another slots parlor facility. So,  
21 I think that is something that needs to be  
22 looked at real closely and have a very good  
23 analysis as to the market potential for the  
24 jurisdiction moving forward.

1 I certainly think that another big  
2 challenge is just working with the changing  
3 landscape as far as the properties that you've  
4 made awards to now and the changes in elements  
5 of their proposals. And understanding the  
6 rationale behind what it is that's causing  
7 changes. And make sure that appropriate  
8 decisions are made on that front moving  
9 forward.

10 CHAIRMAN CROSBY: One of the  
11 challenges that concerns us is we've got these  
12 two big casinos to come. And we have maybe  
13 possibly three and we'll have as many as eight  
14 to 10,000 people to license. How many people  
15 are you licensing for the MGM facility?

16 MR. LABOY: We have 3000 employees  
17 are anticipated for that property. Last year  
18 we licensed about 4200 individuals with the  
19 opening of the Caesars Horseshoe Baltimore  
20 facility. We have about 5900 total licenses  
21 out there now that are active.

22 Certainly, in the gaming industry  
23 there is a very high turnover rate. So, that  
24 is the one department that has a very high

1 workload process which is also added to by the  
2 renewal, just the ongoing renewal process and  
3 natural expiring of the various different  
4 licenses and the requirement to go back and  
5 renew those.

6           So, it's very important to have a  
7 really good infrastructure in place to be able  
8 to handle that workload, because it can quickly  
9 overwhelm the agency and serve as a chokehold  
10 for a property moving forward on a projected  
11 timeline.

12           COMMISSIONER ZUNIGA: Is that one of  
13 your current areas of responsibility,  
14 licensing?

15           MR. LABOY: I do not directly  
16 oversee licensing but work closely with  
17 licensing. And also serve as a hearing officer  
18 for individuals that are denied a license if  
19 they wish to submit kind of a first step in the  
20 appeal process.

21           So, I do work closely with  
22 licensing. And identifying really when it  
23 comes to vendors, the services that they are  
24 offering and try to understand what

1 classification, what category of licensing they  
2 belong in.

3 But when it comes to gaming  
4 employees, principles or people working in  
5 various different levels of the casino, I do  
6 not have day-to-day responsibility with that.

7 COMMISSIONER CAMERON: Mr. LaBoy,  
8 the one piece here that you do not have is  
9 Massachusetts state government experience. We  
10 have worked very hard as an agency to establish  
11 ourselves and partner with other agencies in  
12 the state. We do have a full-time law  
13 enforcement. We do have state troopers  
14 assigned here to the Commission.

15 How would you go about and give us  
16 examples please if you could of successes  
17 you've had working in and among other agencies.  
18 And I'm talking about state law enforcement,  
19 federal law enforcement, legislators, the  
20 Attorney General's office, local officials,  
21 everyone.

22 This is new to the Commonwealth.  
23 Everyone has an interest. Everyone has their  
24 own ideas and angst about this business. How

1 would you go about - First, how have you done  
2 it in the past successfully and how would you  
3 go about coming to a new state and engaging in  
4 those relationships?

5 MR. LABOY: I think probably one of  
6 the biggest -- best examples I can give is the  
7 work that I've done in Maryland. I started  
8 there a little over four years ago and  
9 certainly had to learn the state agencies, kind  
10 of the policy, the Legislature there.

11 One of the elements that I've been  
12 very much a participant in is that Maryland  
13 Alliance for Responsible Gambling. This was a  
14 group that was put together by the lottery and  
15 incorporates elements that included both  
16 representation from the Maryland House and the  
17 Maryland Senate, the Maryland Department of  
18 Health and Mental Hygiene, the Maryland  
19 Department of Public Health and Corrections,  
20 the Maryland Judiciary, as well as  
21 representatives from the Maryland Council on  
22 Problem Gambling and the Maryland Center of  
23 Excellence for Problem Gambling and the casinos  
24 as well.

1           So, this is a very large group of  
2 interested stakeholders, different agencies  
3 that would come together on a quarterly basis  
4 to discuss various different elements  
5 associated with gaming. And established  
6 relationships with other stakeholder agencies  
7 that are interested in the outcome of gaming  
8 overall and its potential impacts.

9           And through that group, which  
10 currently I am serving as the acting chairman  
11 of, we have been able to accomplish many  
12 things. The group was responsible for passage  
13 of legislation to place penalties on  
14 individuals under the age of 21 that were  
15 seeking to get into the casinos.

16           The group has worked together on  
17 public messaging and various different avenues  
18 for the public to gain information on  
19 responsible gambling and problem gambling. And  
20 also have offered up our ability to be  
21 receptive to some of the things that the  
22 Maryland Lottery Gaming Control Agency was  
23 doing such as involvement in the voluntary  
24 exclusion program. And how we can work with

1 the various different stakeholders to ensure  
2 that we are all working towards the same goals.

3 A specific example with the Maryland  
4 judiciary that we did with that was we are  
5 working with them currently to educate  
6 prosecutors and judges on problem gambling and  
7 also our voluntary exclusion program. When an  
8 individual violates the program, they are  
9 prosecuted for criminal trespassing.

10 And we had an issue where local  
11 prosecutors and judges really did not  
12 understand the program, did not understand the  
13 rationale behind what we were doing. And it  
14 was a product of building of relationships that  
15 we were able to provide training to prosecutors  
16 and judges.

17 And are in the process of seeking to  
18 establish a special court much like a drug  
19 court that would handle problem gambling  
20 issues, so that we had a knowledge base in that  
21 group.

22 Other areas, involvement directly  
23 with the Legislature. I have a really good  
24 relationship with the Senate President's office

1 as well as the Speaker's office. They've  
2 reached out to me in various different  
3 instances for input and advice on different  
4 forms of legislation and different gaming  
5 issues that the industry faced in Maryland.

6 So, I think those were all very  
7 positive relationships that I had direct  
8 involvement in and that really helps to ensure  
9 that the jurisdiction realizes that the gaming  
10 commission is a valuable resource to be looked  
11 towards for advice and to help navigate the  
12 ever-changing landscape of gaming issues, any  
13 legal gaming issues that come up.

14 I've had interactions with the  
15 child-protection administration who had  
16 responsibilities this past year to establish a  
17 program to collect arrearage payments from  
18 individuals that were behind on their child  
19 payments. This was an area where the lottery  
20 was not even directly involved in this process.

21 It was the responsibility of the  
22 child enforcement administration to come up  
23 with this program, but an area that I moved  
24 forward and provided leadership to that



1 administration and all of our facilities to  
2 coordinate the process and negotiate a  
3 memorandum of understanding between that  
4 organization and our casinos.

5 So, multiple instances of working  
6 with different state agencies, members of the  
7 Legislature, members of the press corps on  
8 ensuring that the goals and objectives of the  
9 organization are understood and carried forward  
10 in an efficient and effective manner.

11 COMMISSIONER CAMERON: Thank you.

12 COMMISSIONER MACDONALD: Two-part  
13 question. We all have strengths and  
14 weaknesses. Looking back on your career, what  
15 candidly do you think is your principal  
16 weakness that we ought to be aware of as we are  
17 evaluating your application?

18 And the related question is looking  
19 back on your career can you identify the  
20 incident that comprised your biggest  
21 disappointment or failure?

22 MR. LABOY: Interesting one.  
23 Biggest weakness, certainly no one out there is  
24 perfect and everyone has areas that they seek

1 to improve on.

2 Certainly, mindful of continuing to  
3 increase my knowledge base and increase my  
4 interactions across the board to further  
5 develop my potential and skills. So, I  
6 struggle to find an area that I really would  
7 say is a material weakness.

8 I'm an individual that continues to  
9 seek areas of improvement. I have made  
10 decisions in the past that may not have been  
11 optimal, but quite frankly I struggle to find a  
12 really good example of something that did not  
13 turn out well.

14 I've had in the past certainly in  
15 this type of position public speaking  
16 engagements where an area at one point I felt I  
17 struggled on. And through practice and being  
18 placed in many situations where I had to come  
19 forward and address the public I think is  
20 something that I've really -- not necessarily  
21 mastered but I feel pretty confident on.

22 Certainly, areas that I am not  
23 proficient on, as we come across new forms of  
24 entertainment and gambling not necessarily a

1 weakness but certainly areas that come up and I  
2 strive to keep up on.

3 I apologize, I just cannot come up  
4 with a really good example of something that is  
5 a material weakness.

6 COMMISSIONER MACDONALD: You are  
7 very fortunate. Thank you.

8 CHAIRMAN CROSBY: Commissioner?

9 COMMISSIONER ZUNIGA: You come at  
10 this from having done a lot of gaming  
11 procedures, a lot of domain expertise, if you  
12 will. My early impression when I came to this,  
13 and I came to this Commission new to gaming,  
14 was that there is a lot of scrutiny on the  
15 industry and a lot of it is necessary and fair.

16 But there is also a lot of people  
17 doing a lot of the same things. A good case in  
18 point is for example the heavy scrutiny that we  
19 do of gaming vendors. Companies like  
20 Scientific Games or GTECH or Aristocrat are  
21 licensed in more than 100 jurisdictions. And a  
22 lot of people do the same review over and over.

23 What can you tell us about that on  
24 your approach? My first impression is how

1 about we do everything that no one else is  
2 doing, right? What if we find the one area  
3 that few people do and hone in on that? What  
4 can you tell me about whether I'm off base?

5 MR. LABOY: Certainly, new  
6 jurisdictions as they enter gaming really have  
7 a lot of opponents to gambling and a lot of  
8 concerns from the unknown.

9 There are individuals that will  
10 testify about criminal activity, problem  
11 gambling and a lot of the social ill wills that  
12 would be invited in if commercial style gaming  
13 was introduced.

14 And certainly casino gaming has had  
15 a history of influence by organized crime,  
16 which I think has led to a lot of what we still  
17 see yet today on regulatory structures that are  
18 put in place that surpass every other industry  
19 as far as the level of controls and oversight  
20 that are there.

21 Certainly, I think it is very  
22 appropriate for a jurisdiction to come on board  
23 into gaming and hear from other jurisdictions,  
24 hear from consultants on the potentials and

1 really the standard of what is looked at as far  
2 as a standard of regulatory oversight.

3           But at the same time, I think it's  
4 important for each jurisdiction to then build  
5 its own internal resources and experiences to  
6 look at what's in place and determine what  
7 changes may be best suited for that particular  
8 jurisdiction and the particular issues that  
9 that jurisdiction may face that may not be  
10 relevant in another jurisdiction.

11           And I think as long as the  
12 Commission in body have that open-minded  
13 approach moving forward and that a best-faith  
14 effort was put in place to address a lot of  
15 unknowns and uncertainties. But that as the  
16 Commission develops its own expertise and  
17 knowledge and relationships with the various  
18 different entities and have that operational  
19 experience and contacts with other  
20 jurisdictions, to really be able to look at the  
21 underlying reasons of why we're doing whatever  
22 it may be.

23           Is there a better way to do it? Is  
24 there a more efficient use of resources? In a

1 lot of jurisdictions, regulatory bodies do  
2 things because it's required in statute even  
3 though they may not agree that that is the best  
4 way to do it.

5           So, I think sometimes regulatory  
6 commissions need to be able to feel confident  
7 and posing the question as to do we have the  
8 rule set that provides us the flexibility to  
9 make changes where it's appropriate, to  
10 identify inefficiencies.

11           And if we are doing something that is  
12 causing an inefficiency on the industry and is  
13 not adding to the overall goals of the  
14 integrity, transparency and fairness, that  
15 perhaps we should take a look at it.

16           And if that requires assistance from  
17 the Legislature I think that's where the  
18 relationships that you've built with those  
19 organizations and entities can help and assist  
20 in making change.

21           But I do think it is a process and  
22 certainly would advise any jurisdiction coming  
23 on in to really look at the standard as the  
24 baseline to come out the gate with. And then

1 from there moving forward try to be open-  
2 minded, try to invite the industry for their  
3 input, analysis on the controls that we have in  
4 place and how they are impacted. And is there  
5 a better way to do things moving forward?

6 COMMISSIONER ZUNIGA: Thank you.

7 COMMISSIONER STEBBINS: Commissioner  
8 Cameron asked you about your leadership style.  
9 Talk to me about your decision-making style.

10 MR. LABOY: I certainly am capable  
11 of making decisions in a quick manner where  
12 necessary, but it's not necessarily my  
13 preferred method. I really like to give some  
14 consideration and thought to sometimes what are  
15 really complex issues that face the industry.

16 And it does take time to be open-  
17 minded and look for alternative situations or  
18 resolutions to issues that come up. So, I do  
19 like to step back. I do like to invite  
20 participation where appropriate to different  
21 entities for their viewpoints and mindsets on a  
22 particular issue that may come up so that I  
23 have a lot of information to base the decision  
24 off of.

1           Whether that be from staff, whether  
2 that be from the commission, whether that be  
3 from the industry, it's always good to be  
4 receptive to information. And the more  
5 information you have is better for you  
6 ultimately when you make a decision and trying  
7 to anticipate unintended consequences of  
8 something you may be doing.

9           And also, when you make decisions,  
10 you set precedent. And it's mindful to be  
11 aware of that and make sure that you're not  
12 making a hasty decision in one area that may  
13 come back and approach you in a way that was  
14 unanticipated or have unintended consequences.

15           COMMISSIONER STEBBINS: Thank you.

16           CHAIRMAN CROSBY: One of the things  
17 that's needed in a position like this, in any  
18 executive position but particularly one like  
19 this, is strength even toughness, an overused  
20 word but nevertheless an appropriate word in  
21 certain circumstances.

22           Can you give us an example of a time  
23 or experience that you've had when you had to  
24 demonstrate your toughness as a leader, either



1 when you had strong disagreement amongst your  
2 staff and you had to make an executive decision  
3 or more difficult your boss. Mr. Martino, was  
4 pushing you in a way that you thought was wrong  
5 or some situation that demonstrates to us how  
6 you would deal under pressure, the high-end of  
7 the leadership continuum that Commissioner  
8 Cameron has been asking you about.

9 MR. LABOY: I'll give a couple of  
10 different examples that will show different  
11 elements of that ability. The first one would  
12 be in negotiating slot machines for the state,  
13 really had the industry and in some cases  
14 certain manufacturers who know that in order  
15 for your project to be successful you need to  
16 have their product. As such, it puts you in a  
17 very difficult situation from a negotiating  
18 standpoint to not accept what they were giving  
19 you and move forward.

20 And I really pushed the  
21 manufacturers very heavily on very stiff  
22 pricing and also the different offerings that  
23 they had of their product. In most instances,  
24 they only sold a particular type of product.

1 They would not lease it, something they never  
2 did.

3           And I had to get to a point where I  
4 told manufacturers that their product would not  
5 be on the floor in the state if they were not  
6 willing to negotiate. I think it was something  
7 difficult to do and certainly not something  
8 that you put out there and not intend to follow  
9 up on. And certainly would be something that  
10 the casinos would not be very pleased with if  
11 they were not able to have the full product  
12 offering.

13           But taking that standpoint was  
14 appropriate and did allow the state to be in a  
15 much better financial position as the  
16 manufacturers realized we were very serious  
17 about these negotiations. And they came back,  
18 sharpened their pencils, made changes to their  
19 policies and we were able to move forward in  
20 that.

21           Another example, a disagreement with  
22 the executive director on an issue. One of the  
23 properties had submitted a request -- And I  
24 won't go into the particular details of it.

1 I'll just keep it rather general. -- on  
2 something that they were looking to do, a  
3 change that they wanted to do that had a  
4 potential negative revenue impact to the state.  
5 A potential if you look at one analysis versus  
6 another.

7 I had felt -- I did the analysis  
8 myself and it felt that while there was a  
9 potential downturn for this particular request  
10 that I felt that the facility really needed to  
11 have appropriate tools at its disposal to make  
12 decisions on the product offering that they  
13 were really the experts on to the public. And  
14 that it was something that we had to be very  
15 cautious about, the state making a decision in  
16 this area that could have those operational  
17 impacts for the property.

18 The director felt differently. And  
19 I felt that I had done my responsibility and my  
20 research and my advice. And once the director  
21 made the decision, I was 100 percent on board  
22 with that in communicating it out back to the  
23 property and enforcing it moving forward.

24 So, certainly know that there will

1 be disagreements and that it is my  
2 responsibility to put forward advice and  
3 recommendations. But when there is an ultimate  
4 decision to move one way to be 100 percent  
5 behind it, and ensure that I do and the team  
6 does everything possible to make that move  
7 forward.

8 CHAIRMAN CROSBY: Commissioner?

9 COMMISSIONER CAMERON: Mr. LaBoy,  
10 you just aptly pointed out the difference  
11 between being a number two and being a number  
12 one. You were able to get on board behind a  
13 decision. Certainly, this job would require  
14 you to take on the next level of  
15 responsibility.

16 We've been through almost four years  
17 of some trying times, some lawsuits,  
18 referendums, a lot of negative articles, which  
19 frankly can be very unsettling to the staff who  
20 come to work every day doing the best job they  
21 possibly can.

22 As a number one, how would you go  
23 about building a team to support you as the new  
24 leader in some turbulent times?

1           MR. LABOY: Being the number two  
2 certainly understand and value when your voice  
3 and opinions are heard, whether or not the  
4 decision is made to agree with me or not. And  
5 I certainly look to those that I oversee and  
6 afford them that same opportunity.

7           And I think that that is something  
8 that is greatly appreciated when individuals  
9 feel that their concerns and voice may be heard  
10 on an issue. And there'll be instances where  
11 perhaps those individual thoughts really turn  
12 out to be the direction that is made. There  
13 will be other times where it is not.

14           And I think that over time really by  
15 incorporating that into the practices of  
16 decision-making and including staff in the  
17 ability to have input on what their thoughts  
18 are that they will come to realize that you win  
19 some and you lose some.

20           I think that staff, making sure that  
21 they have an understanding of the ultimate  
22 outcome and be able to see that as a learning  
23 experience, whether it be in some instances  
24 they may be right. And for a leader to be able

1 to go back and tell the individual that hey, I  
2 know you recommended this. And the end result  
3 probably would have turned out better if we  
4 would have done that I think is also something  
5 that can help strengthen the relationship with  
6 the underlying staff.

7 So, to know that they're valued,  
8 their opinions are meaningful. And that they  
9 do impact the ultimate decision even if the  
10 decision is not made in accordance with what  
11 they were looking to have.

12 So, I think to really have an  
13 inclusive group who feels their voice is heard  
14 and their opinions are valued I think is the  
15 ultimate goal.

16 COMMISSIONER CAMERON: Thank you.

17 COMMISSIONER MACDONALD: In answer  
18 to the Chair's question as to challenges facing  
19 our Commission, amongst the things that you  
20 identified was the decision with regard to  
21 Region C.

22 Have you done any thinking or if you  
23 haven't, can you now share with us your  
24 thoughts about the construct, if you will, the

1 different components that would need to be  
2 taken into account in the making of the  
3 decision as to what to do in Region 3 (SIC).

4 MR. LABOY: I think certainly you  
5 need to have a real good understanding of what  
6 is the capacity of the jurisdiction as far as  
7 the potential. And certainly, there are  
8 experts out there who will do various means on  
9 obtaining an analysis on what is the capacity  
10 for a different jurisdiction, different  
11 regions. At any moment in time it is a guess.

12 Now that you have a property up and  
13 running, you have some real-time information  
14 that can be used somewhat as a baseline to  
15 measure what the expectations were to get a  
16 better prediction of what the capacity is for  
17 the jurisdiction.

18 Certainly, the potential for the  
19 surrounding jurisdictions and competition that  
20 have moved forward, you need to take that into  
21 consideration as well. There are models such  
22 as gravity model out there that does a fairly  
23 decent job of helping with that.

24 Understanding and looking at how

1 those impacts potentially the casino's return  
2 on investment and an ability to reinvest in the  
3 product. You want to make sure that the  
4 facilities have a reasonable rate of return as  
5 outlined in one of your core mission values so  
6 that they do have the ability to make that  
7 reinvestment in the product.

8           So, I think those are things that  
9 you certainly want to look at when making a  
10 decision to expand the industry that you are  
11 not doing so at the cost of long-term  
12 viability.

13           COMMISSIONER MACDONALD: Have you  
14 had any experience whether in Kansas or in  
15 Maryland in circumstances of competition  
16 between Indian tribe casinos and state  
17 sanctioned gaming operations that might be  
18 relevant to the prospect of just such a  
19 competition in Region C?

20           MR. LABOY: I think the area that  
21 may impact you the most is in ability to  
22 reinvest. And I'm aware that if you award the  
23 Region C to someone other than the Tribe that  
24 the Tribe no longer has to pay any taxes to the



1 state and therefore have a competitive  
2 advantage with promotions and ability to  
3 reinvest in their product.

4 So, that is a big difference that  
5 you'll have between two properties competing in  
6 a relatively close region.

7 As far as the offerings, really not  
8 a whole lot of difference. Most people that go  
9 to a tribal casino, it looks like a casino.  
10 They wouldn't know the difference in the  
11 product that's offered to them. So from that  
12 context, not a lot of changes there.

13 I'm not very familiar with the  
14 provisions of the tribal gaming compact here in  
15 Massachusetts and what authority this body has  
16 over that entity if they were to move forward.  
17 Certainly, you'd want to be mindful of the  
18 restrictions and provisions that are required  
19 for the commercial gaming facilities that may  
20 or may not apply to the tribal gaming facility.

21 But when it comes down to it, you're  
22 very limited per that compact on what you can  
23 do as far as your oversight.

24 COMMISSIONER MACDONALD: In Kansas

1 for example, were there operating tribal gaming  
2 operations simultaneously with operating  
3 officially sanctioned casinos?

4 MR. LABOY: Yes. The tribal  
5 facilities opened up probably in the late 90s.  
6 The commercial gaming bill did not pass until  
7 2007. So, there were four tribal casinos. All  
8 of them except one were relatively small  
9 operations and not located in geographic areas  
10 of concentration where there were a lot of  
11 individuals. They were kind of spread out in  
12 northern Kansas.

13 The largest one was a property that  
14 was managed by Harrah's and located  
15 approximately 30 minutes north of the state  
16 capital, Topeka. But none of the properties --  
17 I think the closest commercial gaming property  
18 to that was probably 40 minutes away and  
19 located outside of Kansas City that had a large  
20 population base to really sustain that.

21 So, when you look at various  
22 different casinos, you look at concentric  
23 circles around that casino and the ability for  
24 that facility to draw in customer base. Once

1 you get out to a certain point, it's really  
2 difficult for someone to make the trip out and  
3 pass another property that may be more  
4 conveniently located to go to those properties.

5 And I think the geographic location  
6 of the tribal facilities in Kansas precluded  
7 them from really tapping into the major  
8 population centers within that jurisdiction.

9 COMMISSIONER MACDONALD: So, there  
10 weren't any really competitive implications of  
11 the simultaneous operation of the tribal  
12 casinos and the regular commercial ones?

13 MR. LABOY: No, I don't think it was  
14 substantially material.

15 COMMISSIONER MACDONALD: Thank you.

16 CHAIRMAN CROSBY: Commissioner?

17 COMMISSIONER ZUNIGA: I have a  
18 question about budget. We have a lot of very  
19 important initiatives, some of them mandated by  
20 the legislation.

21 We have a big mandate on research  
22 and a lot of that had to be done up front. We  
23 have a licensing management system, central  
24 monitoring system. We continue to use

1 consultants even though to a lesser degree  
2 because we've also stood up with hiring  
3 additional resources in our own employees. But  
4 we continue to use them and we also need to  
5 continue to use outside counsel to defend  
6 lawsuits, etc.

7 As you may know, we assess our costs  
8 on licensees. And the big ones are not  
9 expecting to get any kind of return on  
10 investment for a little while because these  
11 properties are very large and won't be online  
12 for a little while. And we certainly don't  
13 want to be the most expensive commission in the  
14 country.

15 However, managing an organization  
16 like ours or managing the divisions of this  
17 organization, we're likely to see that we need  
18 to do more -- we need more resources if we need  
19 to more. How would you go about managing those  
20 difficult prioritizing resources and having to  
21 say no at times among different units?

22 MR. LABOY: Certainly, understand  
23 that as an organization that had to put  
24 together an infrastructure to support being

1 able to offer the gaming amenity that it comes  
2 with certain expenses. And really to develop  
3 the internal expertise to ensure that  
4 procedures and practices were in place so that  
5 when the facilities came up and running would  
6 be successful certainly comes at a cost.

7           And I know that the enabling statute  
8 had a myriad of provisions that comes with  
9 associated costs. So, certainly it was  
10 something that was intended from day one that  
11 this industry would have certain elements that  
12 were prioritized and came with costs associated  
13 with that.

14           Certainly, I understand that this  
15 Commission has gone above and beyond as far as  
16 what you're even required to do on being able  
17 to open your budget to the properties for  
18 review and inspection and have their input on  
19 different areas that they may suggest cost  
20 savings or may highlight as areas of concern.  
21 So, I think that that speaks very well of the  
22 Commission and the processes you put in place  
23 to allow the properties to understand what it  
24 is you are doing, what it is the funds are

1 going towards and have that ability to have  
2 some impact.

3 In Kansas, we had a situation back  
4 in 2007 when the legislation passed where the  
5 racetracks, the pari-mutuel racetracks had a  
6 plan to open within six months. It was the  
7 racing commission's challenge to put together  
8 an infrastructure in a very short period of  
9 time to develop regulations, to go out get the  
10 expertise, hire individuals and prepare for the  
11 oversight of that industry.

12 It so happened to come at the time  
13 when the economic downturn occurred. And as a  
14 result, not only did the racetracks stop their  
15 expansion projects, but also bidders that were  
16 bidding on the destination resort locations  
17 started pulling out.

18 So, I had to have the unfortunate  
19 circumstance at that point in time to go back  
20 and not only put a hold on our infrastructure  
21 development but to go back and we had to do  
22 rounds of layoffs for individuals that we had  
23 hired.

24 So, certainly mindful of

1 expenditures on what we do. And really ever  
2 since that anytime I look to increase staffing  
3 ensure that the workload is there and justifies  
4 the expenditure so that we are not in a  
5 situation where we are getting ahead of  
6 ourselves and really causing inefficiencies by  
7 having these increased costs when they are not  
8 absolutely necessary.

9 But certainly, a lot of the things  
10 that go into successful thorough regulation of  
11 gaming come with costs associated with it. And  
12 I think it's mindful to do the best we can to  
13 mitigate those costs and try to in working with  
14 vendors to see if there is potential for delays  
15 in payment until the full infrastructure of all  
16 of the casinos are up and running.

17 So, things such as the deployment of  
18 central system, I know it's very expensive.  
19 I'm not very familiar with the details on that.  
20 But certainly look for those efficiencies in  
21 partnership with vendors to understand the  
22 situation that the Commission is in to see if  
23 there's possible areas to negotiate some  
24 financing, for lack of a better word, on some

1 of the things that have to go into  
2 infrastructure.

3 COMMISSIONER ZUNIGA: Thank you.

4 CHAIRMAN CROSBY: Commissioner  
5 Stebbins?

6 COMMISSIONER STEBBINS: I want to  
7 follow up on Commissioner Cameron's question,  
8 and then I have another question, but talking  
9 about the team. Where you've had the  
10 opportunity to hire new members for your team,  
11 what do you look for in a candidate?

12 MR. LABOY: When you start a gaming  
13 jurisdiction much like you have here, there's  
14 not a whole lot of local gaming expertise. In  
15 our experience in both Kansas and in Maryland,  
16 being a state agency where really you have to  
17 operate with rigid structures as far as  
18 position descriptions and pay classifications,  
19 it really makes it difficult to hire and  
20 recruit gaming experts to come from other  
21 jurisdictions on in to your jurisdiction.

22 So, some of the challenges we had  
23 were hiring people that had similar experiences  
24 and qualifications but not necessarily gaming



1 related. And take those individuals and train  
2 them up in gaming related activities whether  
3 through interactions with consultants, as I  
4 mentioned earlier, going out and visiting other  
5 jurisdictions or participating in the various  
6 different training resources that are available  
7 throughout the industry.

8 So, want to make sure that the  
9 individuals you hire have the core skills and  
10 competence given whatever restrictions you have  
11 working within the kind of HR limitations that  
12 are imposed upon the agency to find the best  
13 individual for those positions.

14 So, it is a challenge. It is an  
15 ongoing challenge for me in Maryland where we  
16 are constantly losing valuable employees to  
17 other city governments, to the federal  
18 government, to the private industry because we  
19 were just not able to offer market rates for  
20 the type of services that we are asking for.

21 What we do in gaming is very  
22 specialized. It's very complicated. There is  
23 a lot of risk associated with things. So, it  
24 is an ever-ongoing challenge to retain, train

1 competent individuals that are very much  
2 energized and interested in what they're doing  
3 and willing to learn. And in most cases do so  
4 at the cost of something that would be  
5 potentially more financially lucrative  
6 elsewhere.

7 COMMISSIONER STEBBINS: Thank you.  
8 You've had -- I'm going to talk most recently  
9 about your obligations and duties in Maryland.  
10 -- a pretty defined field of obligations and  
11 authorities. A lot of it around finance,  
12 obviously, and auditing.

13 Setting that aside, if you were the  
14 candidate we select moving into the executive  
15 director's position, now all of a sudden you're  
16 responsible for a whole number of parts within  
17 the organization. How do you prepare yourself  
18 to kind of go through that evolution of the  
19 granular to overseeing lots of granular pieces?

20 MR. LABOY: I think a natural  
21 evolution when you do that is you're no longer  
22 able to be as closely associated with the  
23 individual departments under your view as you  
24 would if your focus was much more narrow. As

1 much as I enjoy really keeping my knowledge up  
2 on every area that I oversee, certainly, when  
3 the scope of that is increased fairly large  
4 amount, you become more of a generalist in  
5 areas.

6           And while I continue to strive to  
7 maintain my expertise in various different  
8 areas, and over time I think just through the  
9 nature of being as part of a startup  
10 jurisdiction for two commercial gaming  
11 jurisdictions that I have had a lot of  
12 involvement in all of the elements that  
13 surround regulatory oversight, even if they're  
14 not under my direct control such as the on-site  
15 compliance, the licensing issues.

16           And in my past experiences, I've had  
17 the capacity to serve as the fiscal  
18 administrative lead for the agency preparing  
19 budgets as well as in my pari-mutuel days  
20 oversight of the racing industry. So, I think  
21 I have a really good foundation for which I  
22 will be overseeing if selected for this  
23 capacity to continue to provide leadership and  
24 have that core level of understanding of those

1 issues.

2 But certainly understand with the  
3 larger scope of responsibility, you can't help  
4 but move to more of a generalist type of  
5 relationship. So, that's what I see as part of  
6 that transition.

7 COMMISSIONER STEBBINS: Thank you.

8 CHAIRMAN CROSBY: How many people do  
9 you have working for you in Maryland directly?

10 MR. LABOY: I have 20 people that  
11 report to me directly in Maryland.

12 CHAIRMAN CROSBY: What percent of  
13 them are diverse?

14 MR. LABOY: We have a high-level of  
15 diversity. We do not have a statistic that we  
16 track on that. But as an example, I've got our  
17 director of audit regulatory compliance is a  
18 minority member. Our director of electronic  
19 gaming device operations is a woman. Our  
20 responsible gaming coordinator is a woman. So,  
21 we have a very diverse team. And I think by  
22 nature of being in the region of Baltimore in  
23 Maryland, it's a very diverse region.

24 So, we have not found our agency to

1 be in a situation where we felt there was  
2 issues with diversity. I think just being in a  
3 very diverse region of the country, we have the  
4 opportunity when we do our selections for  
5 individuals to really focus in on from the pool  
6 that we have the best qualified. And have been  
7 lucky that we've been able to pull a rather  
8 diverse group that work together.

9 CHAIRMAN CROSBY: It's only 20  
10 people. You must know pretty much what is the  
11 ethnic minority percentage in that 20?

12 MR. LABOY: I would say we are over  
13 50 percent diverse.

14 CHAIRMAN CROSBY: Ethnic diversity?

15 MR. LABOY: Yes.

16 CHAIRMAN CROSBY: Okay, thank you.

17 MR. LABOY: That includes Asian-  
18 Americans, African-Americans, Hispanics.

19 CHAIRMAN CROSBY: Commissioner?

20 COMMISSIONER CAMERON: I don't have  
21 anything else, Mr. Chair.

22 COMMISSIONER MACDONALD: Neither do  
23 I.

24 COMMISSIONER ZUNIGA: I think we

1 covered what I wanted to cover.

2 CHAIRMAN CROSBY: Commissioner  
3 Stebbins?

4 COMMISSIONER STEBBINS: I have only  
5 final question and only because I asked it of  
6 the other candidate. And that is just the  
7 issue of the expanded gaming statute gave us  
8 responsibility for horse racing.

9 Obviously, we are focused on the  
10 success of the industry despite its challenges.  
11 Can you quickly talk about how you would  
12 address the issues surrounding the horse racing  
13 in the Commonwealth based on your experience,  
14 what you may have read?

15 MR. LABOY: Certainly, I was very,  
16 very pleased to see that horse racing has  
17 increased at the Plainridge facility. And it's  
18 thriving as a result of the gaming amenity  
19 that's offered there.

20 At the same token, the Suffolk Downs  
21 property had a significant decrease in racing  
22 as a result of them not receiving the award. I  
23 have a lot of experience, spent a lot of time  
24 at both racetracks and county fairs in Kansas

1 for both greyhound and horse racing, and really  
2 is where I kind of broke my teeth on gaming.

3           It is an industry that supports a  
4 lot of agro related businesses and a lot of  
5 transitional employees that kind of follow the  
6 horseracing circuit around the country. There  
7 is a lot of effort that goes into breeding and  
8 understand that it is an industry that really  
9 has a very large multiplier as far as its  
10 impact on the economy, in particular to  
11 whatever jurisdiction it's operating in.

12           Certainly, they've had their  
13 challenges when it comes to competing in the  
14 arena of entertainment and gambling. And  
15 there's been efforts in various different  
16 jurisdictions to try to assist the industry  
17 because of all the benefits that it brings.

18           And I'm certainly aware of potential  
19 legislation that may look to offer another  
20 slots facility. I would imagine that that  
21 might be earmarked toward a Suffolk Downs type  
22 of facility to ensure that horse racing  
23 continues to have the opportunity to succeed  
24 moving forward.

1                   So, definitely very familiar with  
2 horse racing. I've opened up horse racetracks,  
3 I've closed them down. It is an industry that  
4 people are very passionate about that work for  
5 it.

6                   So, really one of the things coming  
7 here is I was able to tap into that expertise I  
8 have over that industry, and really get re-  
9 familiarized with where things are with that  
10 industry. And try to do what I can to be of  
11 assistance to the further growth and success of  
12 that industry.

13                   COMMISSIONER STEBBINS: Thank you.

14                   CHAIRMAN CROSBY: Anybody else? Mr.  
15 LaBoy, thank you very much. It's been a long  
16 day for you. We appreciate you hanging around.  
17 There is a taxicab stand right downstairs.  
18 Janice will show you where it is. And we thank  
19 you very, very much for your interest in our  
20 position and your time and thoughtful  
21 responses. I'm sorry, would you like to make a  
22 closing statement?

23                   MR. LABOY: Once again, I'd like to  
24 thank the Commission for a very thorough



1 search. Being in the position I am in, I get  
2 to see other jurisdictions and how they  
3 approach situations like this.

4 And I must say that this process  
5 which culminates in this very public forum  
6 really is a testament to you as a commission in  
7 your desires and efforts to really ensure that  
8 you have the most qualified individual to help  
9 lead the Commonwealth moving forward.

10 Once again, just very honored to  
11 participate. And as I said, whatever decision  
12 you make I am sure things will go very well.  
13 And whatever capacity I may be in at that  
14 point, if I can be of any assistance to you,  
15 I'd be more than happy to do so.

16 CHAIRMAN CROSBY: Thanks very much.

17 COMMISSIONER CAMERON: Thank you.

18 CHAIRMAN CROSBY: We will take a  
19 quick break and come back in 10 minutes.

20

21 (A recess was taken)

22

23 CHAIRMAN CROSBY: We are ready to  
24 reconvene the 172nd meeting at about 2:55. I

1 think maybe we ought to start kind of like we  
2 have, I'm game for anything but sort of like we  
3 did in the license decision when we just sort  
4 of went around the room and gave kind of a  
5 sense of where we are at. Maybe a consensus  
6 presents itself, maybe it doesn't. Not a vote  
7 necessarily just sort a sense of where you're  
8 at and what the issues are.

9 COMMISSIONER MACDONALD: Did you say  
10 sense or census?

11 CHAIRMAN CROSBY: Sense.

12 COMMISSIONER CAMERON: Would you  
13 like me to start, Mr. Chair?

14 CHAIRMAN CROSBY: Yes, why not.

15 COMMISSIONER CAMERON: That would be  
16 unusual, right?

17 CHAIRMAN CROSBY: Let's change  
18 things here a little bit.

19 COMMISSIONER CAMERON: Again, I want  
20 to thank Commissioner Stebbins for producing  
21 two very qualified candidates. That's  
22 apparent. So, the search certainly went well.  
23 And I actually want to thank staff because I  
24 know how engaged they were, knowing it wasn't

1 their decision, how engaged they were in  
2 rewriting a job description, interviewing  
3 candidates and really engaging in the process.  
4 So, I do want to make those thank yous up  
5 front.

6 To me, it is very, very apparent  
7 that Mr. LaBoy has exhibited just terrific  
8 subject matter knowledge of the gaming  
9 industry, the business processes, examples of  
10 decision-making around the business end of  
11 things. His ability to conduct an analysis,  
12 really subject matter expertise was very  
13 strong.

14 Mr. Bedrosian readily admitted that  
15 he needed to learn more about the regulatory --  
16 regulating the gaming industry but he also gave  
17 us a plan on how he intended to do that. I  
18 heard much more engagement from Mr. Bedrosian  
19 around engaging staff, engaging other state  
20 officials.

21 Certainly, he brings tremendous  
22 state government experience to the mix. And I  
23 think proven leadership is another real  
24 strength. Relationships, leadership, and state

1 government experience, I also think he made a  
2 compelling case of how his skills are  
3 transferable.

4 In just speaking of the two  
5 candidates in generality, I think that's how I  
6 saw the world as far as the real gaming  
7 experience versus other experience, other  
8 leadership qualities frankly. I think his  
9 statements as well as the resume exhibit more  
10 leadership opportunities and demonstrated  
11 leadership capabilities.

12 COMMISSIONER ZUNIGA: Who was that,  
13 Mr. Bedrosian?

14 COMMISSIONER CAMERON: Mr.  
15 Bedrosian, yes.

16 COMMISSIONER ZUNIGA: It occurs to  
17 me that they're both very qualified, I'll  
18 agree. And I'll agree the work that's been  
19 done by everybody to get us to this place.

20 Maybe they come to this potential  
21 position from different places and that's an  
22 important distinction. I'd like to kind of  
23 have a little discussion on some of the  
24 differences.

1           Maybe Mr. Bedrosian comes from a  
2 policy, having done some policy, thought about  
3 policy matters very high level and may come  
4 down to seeing this opportunity more on a  
5 transactional basis, but maybe this is what you  
6 are referring to is some of the leadership that  
7 he's done.

8           In Mr. LaBoy comes from having done  
9 a lot of it and he's looking at this  
10 opportunity obviously as a next step, as going  
11 from number two to number one as was mentioned  
12 here.

13           I think they both for our decision-  
14 making process would involve a little bit of a  
15 leap. There's a leap that needs to be taking.  
16 The way I was thinking about it is the first  
17 one for Mr. LaBoy would be just what you just  
18 mentioned Commissioner. Can he take on that  
19 role of less of a doer and more of a delegator,  
20 which he spoke to as looking forward to having  
21 that opportunity.

22           And the difference with Mr.  
23 Bedrosian it occurs to me is could he be  
24 deferential enough to this Commission in having

1 been in a policymaking role and having to come  
2 down to more of a transactional place.

3 I also think that there is a very  
4 important discussion to have in the context of  
5 what we have now and what we want that person  
6 to do and the context that that person arrives  
7 into. I had a couple of questions. And I had  
8 initial reservation with Mr. Bedrosian's heavy  
9 background on law-enforcement.

10 I think we have a lot of that here  
11 already. You may have noticed my questions,  
12 but I think some of my initial reservation was  
13 ameliorated a little bit but still I want to  
14 put out there that he needs to come in -- the  
15 executive director needs to come in and help  
16 us, in my opinion, shift the heavy emphasis  
17 that has been placed and initially was placed  
18 on the investigatory side for good reasons  
19 because we had to get all of these companies  
20 found suitable, but in my view needs to shift a  
21 little bit to more of a view of the licensees  
22 as perhaps the limited partner.

23 Because we have a relationship  
24 that's similar to a general partner and a

1 limited partner where we have to operate with  
2 the licensees and we need to make sure that  
3 they are sustainable and all these other goals  
4 are accomplished.

5           So, I think there's a real decision  
6 here for us to do in the context of not just  
7 what the individual and not just leadership  
8 because that is important, but that's not the  
9 only thing. What is the context and what is  
10 the agency that that person comes in and what  
11 is that focus that we want to perhaps  
12 capitalize on?

13           CHAIRMAN CROSBY: Go ahead.

14           COMMISSIONER MACDONALD: As  
15 everybody knows, I'm new to this process. So,  
16 what I did beforehand is to list out a number  
17 of what I thought having looked at the job  
18 description and drawing on my five weeks as a  
19 member of the Commission, identified a number  
20 of what I thought were pertinent attributes  
21 that we would be looking for in an executive  
22 director.

23           As follows: first the knowledge of  
24 the gaming regulatory environment, secondly, a

1 demonstrated executive ability, thirdly a  
2 capacity to tactfully manage professionals  
3 above and below in the organization of the  
4 Commission simultaneously respecting  
5 professional boundaries but providing a  
6 momentum to get closure on very complex and  
7 sensitive issues.

8           As I thought about it, the qualities  
9 that would make that possible, I came up with a  
10 sense of tact, personal strength, a sense of  
11 humor, and I'll emphasize that and a resilient  
12 ego to manage up and down.

13           Then finally stature, credibility as  
14 a representative of the Commission at the  
15 highest policymaking levels in the  
16 Commonwealth. The word is kind of overused but  
17 it's an element of kind of gravitas where we're  
18 looking for someone who would be an object of  
19 respect as a composite result of all the  
20 qualities, personal and otherwise that the  
21 person brought.

22           As to particulars here, both  
23 candidates are very, very qualified. As to Mr.  
24 LaBoy, tremendous directly relevant amount of



1 experience. He's been 17 years in the  
2 industry. He has accomplished experience in  
3 all relevant subject matter areas of our  
4 Commission. He's had senior executive  
5 responsibility in two gaming regulatory  
6 agencies.

7 On the basis of his resume and his  
8 testimony or his presentation, not testimony --  
9 giving away my judicial background here -- he's  
10 clearly knowledgeable, competent and well  
11 prepared. And I found him very responsive to  
12 all of our questions. So, he's a very, very  
13 strong candidate.

14 With Mr. Bedrosian he comes from a  
15 senior executive experience in a large, very  
16 large public agency namely the Attorney  
17 General's office in particular. He was  
18 involved in the genesis of the Commission's  
19 creation in the legislative process as I  
20 understand it.

21 He is intimately familiar with the  
22 Massachusetts governmental process, the  
23 players, the culture. And I noted with great  
24 admiration his resume, the initiative and

1 commitment which he made while he was a full-  
2 time employee at the Attorney General's office  
3 to go to school and to get an executive MBA. I  
4 noted his having observed that his spouse for a  
5 year and a half was a single parent, a single  
6 parent in their home.

7 I've always admired people going way  
8 back who can hold down a job and at the same  
9 time go to school whether it's a law degree or  
10 a business degree. And the idea of somebody  
11 being a First Assistant Attorney General and  
12 also getting an MBA at Boston University  
13 frankly is humbling from a distance.

14 On a bottom-line basis, I am  
15 inclined to prefer Mr. Bedrosian as the  
16 candidate and specifics from his interview.  
17 And I'm not close-minded on this, but just put  
18 it out on the table. I was immediately struck  
19 by his sense of humor frankly, the eight-dog  
20 family and a hedgehog as part of the household.  
21 I was amused by that.

22 I was also struck by his observation  
23 about Ms. Lillios on our staff who had been  
24 borrowed by the Commission and then refused to

1 go back to the Attorney General's office  
2 because she was so excited to be part of this  
3 new enterprise and making of an agency. And  
4 his saying that he found the opportunity to be  
5 the executive director to be appealing for  
6 exactly the same reason.

7 That resonated with me because  
8 frankly as I've said to others that was one of  
9 the reasons that I found a compelling interest  
10 to apply for a position that I'm fortunate to  
11 be currently in.

12 I was also struck by his description  
13 of his expecting or he sees the need of himself  
14 performing as a leader as well as a manager. I  
15 think it's a dimension that's highly pertinent.  
16 And in answer to Commissioner Ziemba's (SIC)  
17 sports analogy whether he's quarterback or  
18 coach and he said no, it was more like a  
19 referee. I thought that was pertinent.

20 And he went on to say that as with a  
21 referee if you call a good game, nobody notices  
22 it. I think that that's an appropriate  
23 analogy.

24 I happen to disagree with him when

1 in answer to my question as to what's unusual  
2 about our organization in the context of the  
3 gaming industry. In the short time and also in  
4 preparation for my applying for the job, my  
5 strong sense and this was actually confirmed by  
6 Mr. LaBoy that this is not an ordinary  
7 organization with a full-time five  
8 commissioners and then the staff underneath.

9 I think it's a tremendous challenge.  
10 I think whoever is our choice, it's going to be  
11 a tremendous challenge to execute the job of  
12 executive director effectively. I know I  
13 couldn't do it. I thought it was very  
14 appropriate that referee analogy.

15 Also I was struck, I think this was  
16 Commissioner Cameron's questions and also  
17 Commissioner Stebbins' questions on leadership.  
18 The emphasis that he made on an inclusive  
19 style, what he would do to reach out to the  
20 staff and ask them what he needs to know, if I  
21 recall right, to allow them to do better. I  
22 like that.

23 His reference to the importance of a  
24 style that stresses the desirability of all

1 staff seeing themselves as part of an  
2 organization that crosses silos, labels. It's  
3 a small thing but when he made some observation  
4 that he would like to think that any  
5 organization in which he's got an executive  
6 responsibility that everybody in the  
7 organization from the most senior to the least  
8 senior has a sense of identification and  
9 involvement, and a sense of importance in the  
10 mission of the organization.

11 I think he said if somebody was at a  
12 party and somebody made -- some other person,  
13 third-party outside made a comment about the  
14 Commission that the response of the employee he  
15 would hope would be one that identified with,  
16 affirmatively identified with the organization.  
17 Putting it negatively, I think he said he would  
18 not want the staff member to say that's not my  
19 responsibility and walk away.

20 Finally, and this would actually  
21 apply equally to both of them. This is a tough  
22 job and this is not an easy process that they  
23 went through. I think the factor of endurance  
24 by both candidates, but I underscored it with

1 Mr. Bedrosian. He seemed to me to be as sharp,  
2 responsive and light in the sense of having a  
3 realistic perspective tinged by humor was  
4 maintained right through.

5 So, you put all those things  
6 together that's how I came out pending further  
7 discussion.

8 CHAIRMAN CROSBY: Commissioner  
9 Stebbins? By the way that was an incredibly  
10 thorough and well done recitation.

11 COMMISSIONER CAMERON: I didn't know  
12 we were going through all of our comments now.

13 CHAIRMAN CROSBY: I was just  
14 admiring how well he recalled all of that  
15 stuff. That was great.

16 COMMISSIONER STEBBINS: Great, no  
17 pressure. What was interesting as we moved  
18 through the process with these candidates, and  
19 I think I'm going to adequately reflect the  
20 comments and the feedback that we had from the  
21 staff subsequent to their interview with these  
22 two candidates, is that you see the strengths  
23 breaking down between each candidate of Mr.  
24 Bedrosian understanding of the Massachusetts

1 landscape, the managerial experience. And I'm  
2 flying at the 30,000-foot level at this point.

3           And the sentiments expressed about  
4 Mr. LaBoy in terms of his, what I would call,  
5 unbelievable knowledge of so many facets of our  
6 work in the regulatory side of the gaming  
7 industry, even to the point of maybe  
8 understanding the Massachusetts landscape  
9 better than we do.

10           That kind of is where I find myself  
11 in terms of taking that skills and experience  
12 from both of them and trying to figure out  
13 which overlays with the needs of the Commission  
14 at this point. I was glad to hear Mr.  
15 Bedrosian saying we're still building the  
16 foundation.

17           I actually learned a lot from both  
18 gentlemen beyond what I had learned in the  
19 initial interviews. Some of the conversations  
20 about dealing with staff and certainly the  
21 executive director's position is about managing  
22 staff.

23           Mr. Bedrosian talking about while he  
24 was serving as first assistant with a large

1 agency underneath him and people clamoring to  
2 get to the Attorney General. And that he  
3 didn't see himself necessarily as a gatekeeper  
4 but making sure that time and opportunity that  
5 staff had to spend with the Attorney General.  
6 And I think the mirror of that would be the  
7 five of us, in an organizational structure is  
8 that he didn't want to discount anybody but  
9 wanted to manage everybody's time and resources  
10 and input as effectively as possible.

11           Again, I look at where we are and  
12 understanding that we have two big projects  
13 still online to open within three years and  
14 that gives me -- gave me great interest in  
15 looking at Mr. LaBoy's experience, his dealing  
16 with opening a facility, his dealing with  
17 opening a facility of one of our licensees I  
18 think is equally as important.

19           But I come back to each of them  
20 offers something completely different. And how  
21 to come down on that and think about what we  
22 need as a Commission based on the  
23 responsibilities that the five of us have as  
24 well as what we need in terms of an executive



1 director who is going to manage a day-to-day  
2 team is a big question we all have to settle  
3 on.

4 COMMISSIONER CAMERON: Can I add to  
5 that, unless you wanted to have comments? I  
6 think it's so much bigger than the five of us,  
7 frankly.

8 It was very important to me because  
9 staff was so engaged, in particular the  
10 directors and the executive team their  
11 thoughts. I certainly took the opportunity to  
12 speak to many of them, most of them, frankly,  
13 about this because it was important to me.

14 And I thought it was really  
15 important to note that when asked about the job  
16 description which they helped rewrite, they  
17 thought leadership was a really important  
18 attribute as well as Massachusetts state  
19 government experience. They value gaming  
20 experience but thought that the other two  
21 attributes were more important.

22 COMMISSIONER ZUNIGA: Let me ask why  
23 state experience?

24 COMMISSIONER CAMERON: Because we

1 deal in an atmosphere where we need to work  
2 with all other stakeholders, all other  
3 government agencies, the AG's office,  
4 legislators. And having that experience I  
5 think they thought was invaluable to us as an  
6 agency.

7 COMMISSIONER ZUNIGA: But we have  
8 some of that experience effectively already.  
9 And I think Mr. Bedrosian himself mentioned  
10 John Ziemba and a lot of the work that we've  
11 done.

12 COMMISSIONER CAMERON: Agreed. But  
13 the staff valued those things and that's what  
14 I'm saying. I think that that's important to  
15 note what they think in this whole process.  
16 So, I thought that was an important piece.

17 As you all know, leadership is  
18 important to me. I had a lot better sense of  
19 leadership from Mr. Bedrosian. I think we sell  
20 him short if we call him a law-enforcement  
21 person. I think he's demonstrated lots of  
22 management experience. He's been in the  
23 private sector. He's got dual education as  
24 Commissioner Macdonald pointed out here.

1           Cares a lot about leadership and  
2 management. So, I think we really sell him  
3 short if we call him a law enforcement type or  
4 whatever that description was. I just think he  
5 is much more than that.

6           Again, I appreciated his honesty,  
7 his ability to relate to people. I think  
8 that's an intangible here. And I think we are  
9 at a critical stage. There are five of us.  
10 There's a whole staff that come from different  
11 cultures.

12           There's licensees. There's vendors.  
13 There's stakeholders that are still very, very  
14 engaged. I just heard a lot more we's than I  
15 did I's from Mr. Bedrosian. A real willingness  
16 to engage and enjoyment in engaging, which I  
17 think is critical to where we are at our stage.

18           A willingness to learn. I love the  
19 hey, I'm going to have to learn about that. I  
20 don't know enough about that but I'm going to  
21 do that from staff. That means an awful lot to  
22 staff when someone -- They don't just say yes,  
23 I'll listen. It is I'll be engaged. They'll  
24 teach me.

1           Those are the things that really  
2 matter in an agency. The idea of caring that  
3 people love to come to work every day. That  
4 was in my mind something that I've been  
5 thinking about that for years now.

6           How do we make sure that staff likes  
7 what they're doing, which is why I asked the  
8 question about leading in a turbulent  
9 environment or when things are a little tough  
10 and staff is stressed, how do you handle that?  
11 It wasn't words, they were real examples of  
12 previous situations, examples of how to move  
13 forward that I found extremely compelling.

14           Frankly, I've conducted hundreds of  
15 interviews over the years and this is right at  
16 the top, this interview with Mr. Bedrosian and  
17 how he could talk about weaknesses, could talk  
18 about failures, could talk about any question.  
19 Answered two-part questions fully and  
20 completely.

21           I have always -- Just in my initial  
22 dealings were positive, but I was very, very  
23 impressed with the thoughtfulness and the  
24 engagement which I think is critical to what we

1 are doing moving forward.

2 CHAIRMAN CROSBY: I think a lot of  
3 what everybody has said I agree with. And I  
4 certainly think that the sort of basic  
5 dichotomy, oversimplified by a lot, but  
6 nevertheless the dichotomy between somebody who  
7 notably strong on the substantive content and  
8 somebody who is stronger and an impressive  
9 presence on the leadership side I think is the  
10 heart of the issue.

11 The few sort of random points.  
12 Interestingly enough, their resumes are not  
13 very different except for Mr. Bedrosian's last  
14 X-years, I don't know how many it was, three or  
15 four anyway as first assistant. Everything  
16 else that he's done prior to that is very much  
17 in the nature of the same kind of leadership  
18 positions.

19 He does, however, have a style and a  
20 presence which he is a leader by style. He's a  
21 leader by presence. He says that. He is not  
22 an expert in anything. He doesn't expect to be  
23 an expert in anything. His leadership style is  
24 a style born of his presence.

1           And I do think there is some issue,  
2           and it'd be very hard for him to assess this  
3           because he can't be here, but I do think there  
4           is some issue, and we've all wrestled with this  
5           ourselves, what do we really want in an ED?  
6           And we've all said we want a strong ED. We  
7           also know that we are very interested in a lot  
8           of stuff that we care about. And I think it  
9           would be a challenge for him to figure out how  
10          to accommodate to our styles.

11          On the one hand, you want a strong  
12          leader. On the other hand, you want a leader  
13          who can accommodate five strong commissioners.  
14          So, it cuts a little bit both ways.

15          For my money, the familiarity with  
16          the state issue is not significant. We have a  
17          lot of it in the agency. If you bring it to  
18          the table, so much the better, but I think we  
19          have a lot of it. It's the other two  
20          categories, the leadership and the content, the  
21          substantive knowledge.

22          I was initially concerned a little  
23          bit by the law-enforcement predisposition.  
24          That doesn't mean he's not a leader or a

1 manager, it just means he would be a leader or  
2 a manager with a law-enforcement  
3 predisposition. But my sense is that he has  
4 taken -- Both his personality takes that with a  
5 grain of salt to begin with and it's been  
6 leavened by his subsequent experience.

7 So, I could have been concerned in a  
8 candidate who I felt would push our dominant  
9 culture toward the law-enforcement culture  
10 rather than toward the regulatory culture. I'm  
11 less concerned of that as I've gotten to hear  
12 from him and gotten a sense of him.

13 On the Charles side, Charles is a  
14 different kind of leadership. Charles leads by  
15 knowledge and by information. I had also had  
16 the word gravitas and sort of leadership  
17 presence.

18 I'm sorry in the public environment,  
19 but he I'm sure would be the first to say, he  
20 does not project that same kind of leadership  
21 presence, that same kind of leadership style.  
22 He didn't note and I'm surprised that he didn't  
23 that he was a noncommissioned officer in the  
24 United States Marine Corps for two years. So,

1 he's not a shrinking violet.

2           But a number of us asked questions  
3 about leadership. It was clear that that was  
4 on our minds as an issue. And I didn't feel  
5 that he really rose to the bait to any of those  
6 and sort of nailed -- We were tossing up  
7 questions, telegraphing what we were interested  
8 in. And I didn't feel like he really -- He was  
9 very thoughtful.

10           The one question asked you when you  
11 talked about leadership, he said at first I  
12 thought he didn't quite get it. He said, well,  
13 it starts with recruitment. Then he said it  
14 goes to invest in your people with  
15 understanding the mission and making sure that  
16 they understand how they relate to the mission.  
17 Then it goes to delegation. Then he added  
18 quite a nice -- but nevertheless I didn't feel  
19 that he heard exactly what we were groping for  
20 and could hit it really hard.

21           I do believe that deeper knowledge  
22 of the inner workings of this business, and as  
23 one of you said, knowing how to launch a big  
24 casino. We have a tidal wave coming towards us



1 that keeps me awake at night. And I think  
2 anything we can do to strengthen ourselves to  
3 be able deal with that tidal wave is urgently  
4 important.

5 And many of the questions, hearing  
6 him talk about them gave me a sense of comfort  
7 that he would really bring real substantive  
8 content to the table and help us who are  
9 wrestling with making these judgments about how  
10 much to investigate, how long the licensing  
11 process, on and on.

12 All of that is random, I understand,  
13 but I have to say that I could easily be  
14 persuaded on this, but I'm right now kind of  
15 52-48 Bedrosian predisposition. But I'm very  
16 much open to further conversation.

17 COMMISSIONER ZUNIGA: Let me mention  
18 something that was mentioned here, because  
19 although I think it's important to have a sense  
20 of humor, I would have to discount that to the  
21 environment that we are dealing with in the  
22 open public meeting, being recorded. And  
23 perhaps it just happens that Mr. Bedrosian has  
24 done a little bit more of this public type

1 presentations.

2 I do think about the subject matter  
3 piece as the critical next phase. But again, I  
4 don't know if I'm explaining my concern as to  
5 what that next person comes and is expected of  
6 in the context that we already have.

7 I think I heard Mr. Bedrosian say a  
8 number of things that would appear to me --  
9 This is highly subjective. -- but would appear  
10 to me that he saw himself as the node by which  
11 a lot of things go through. That might be very  
12 demanding in terms of how we currently operate.  
13 It might be even very time constraint, because  
14 we do have relationships with directors that  
15 are and have been and will continue.

16 For example, having an expectation  
17 that Mr. Bedrosian needs to be at every one of  
18 those critical meetings is probably going to be  
19 hard to meet. That's what I mean by what is  
20 the context that anybody, any one of the two  
21 candidates comes in and is expected.

22 That's on the tail end of  
23 leadership. A lot of what we mentioned here,  
24 yes, I agree with those assessments. But there

1 is a lot of leadership here already, isn't  
2 there? We've been operating successfully, I  
3 might argue, without our permanent executive  
4 director, not that that should be the case  
5 going forward. I know the interim is done.

6 CHAIRMAN CROSBY: In case you can't  
7 see, anybody watching, the Interim Executive  
8 Director just grabbed her heart.

9 COMMISSIONER ZUNIGA: My point is I  
10 am thinking of the context. I think it would  
11 be a little unfair of anybody to be expected  
12 that they're going to come in and do everything  
13 or be in every one of those conversations or  
14 have the historical context, if you will.

15 All I'm saying -- I'm only  
16 mentioning this because my sense was that more  
17 Mr. Bedrosian than Mr. LaBoy, he saw himself as  
18 that sort of node. That was only my  
19 impression.

20 COMMISSIONER CAMERON: I think you  
21 make a good point, I know you want to get in  
22 this Commissioner Stebbins, about we have  
23 leadership, which is why we need leadership in  
24 the executive director, strong leadership

1 because we have a lot of strong personalities  
2 on the Commission. A lot of directors that  
3 have had tremendous experience in careers  
4 elsewhere. And a strong leader, someone they  
5 can respect, even though they're leaders  
6 themselves, is I think a really important  
7 piece.

8 That's important for us as well. It  
9 is for me at least. So, your point about  
10 leadership brings me back to the need for us to  
11 have that strong leadership.

12 Mr. Chair, you mentioned gaming  
13 experience. I think we've done a very good  
14 job. Bruce Band and his team, we've brought in  
15 some really strong experience there. Frankly,  
16 I believe that's where it's most needed, out at  
17 the casinos with that expertise. We've been  
18 able to bring in gaming agents with that  
19 expertise. So, I think we brought it in in the  
20 areas we need to bring it in.

21 And now at this point, we're almost  
22 four years into this. We can't undervalue our  
23 experience here. I do not feel like it's  
24 something we desperately need at the top now.

1 It is important, but again I get back to the  
2 big picture here which is a challenging  
3 environment, someone who has been tested at  
4 that level in a challenging environment who has  
5 demonstrated the ability to manage up and down.

6 I've spoken to a number of people  
7 trying to do my homework who just can't say  
8 enough good things about Mr. Bedrosian's  
9 leadership, and the enjoyment, the satisfaction  
10 of working shoulder to shoulder with him, which  
11 I can think of a handful of people I've worked  
12 with over the years that I can say that about.  
13 That's really, really impressive.

14 CHAIRMAN CROSBY: Anybody else any  
15 more to add? You're thinking about it.

16 COMMISSIONER STEBBINS: I'm still  
17 thinking it. Mr. Chairman, I think you laid  
18 out some very interesting points. A lot of it  
19 comes back to our interest in finding a leader  
20 for this organization.

21 Sometimes, what the five of us need  
22 isn't necessarily -- may not align always with  
23 what the staff sees as necessary. We certainly  
24 are looking for leadership that goes without

1 question. I probably disagree with  
2 Commissioner Cameron on the notion of  
3 understanding the Boston landscape.

4 We certainly have leaders within our  
5 staff starting with Mr. Ziemba and yourself Mr.  
6 Chairman and others who have built those  
7 relationships because we've had to. Sometimes  
8 those other parties have had to work with us  
9 only because the statute tells them they have  
10 to.

11 CHAIRMAN CROSBY: And we have the  
12 best liaison with law-enforcement agencies that  
13 we can possibly have.

14 COMMISSIONER STEBBINS: Absolutely.  
15 So, that to me is not necessarily as big a  
16 focus. To your point, Mr. Chairman, I think it  
17 was well stated was it's leadership by  
18 experience or it's leadership by knowledge.  
19 And that's kind of where I find myself. That's  
20 a toss-up, and not an easy toss-up.

21 CHAIRMAN CROSBY: You're 50-50 at  
22 this point?

23 COMMISSIONER STEBBINS: Yes.

24 CHAIRMAN CROSBY: Where are you?

1                   COMMISSIONER ZUNIGA: In a similar  
2 place. I do understand that all of the  
3 attributes and I agree with a lot of the notion  
4 about leadership that Commissioner Cameron  
5 says.

6                   My struggle, if you will, is one  
7 that I don't know that we -- I keep fishing for  
8 somebody to chime in on this notion about the  
9 context but nobody's taking that --

10                  CHAIRMAN CROSBY: Try again.

11                  COMMISSIONER ZUNIGA: -- as to our  
12 own roles, let me just leave it at that.

13                  I just want to come back to  
14 something you mentioned, Commissioner because  
15 my initial comment about being only a law-  
16 enforcement, maybe I didn't quite make it  
17 appropriately.

18                  I meant he is heavy law-enforcement  
19 background which he has notwithstanding his MBA  
20 and his management. I fear that is going to  
21 shift us slightly more towards the  
22 law-enforcement side where I feel that we need  
23 to, given the phase where we are, we need to  
24 dial down in a little bit in the other

1 direction.

2 Now I'm not saying it is irrelevant.  
3 It's very relevant and that makes him a great  
4 candidate. But when it was very appropriate  
5 for us to be very much focused on law  
6 enforcement and suitability I think we've come  
7 beyond that a little bit.

8 And there are other aspects of the  
9 Gaming Act where perhaps the experience of Mr.  
10 LaBoy opening casinos elsewhere, for example,  
11 are also at a minimum equally relevant.

12 COMMISSIONER CAMERON: Commissioner  
13 Zuniga, I think you are assuming that law-  
14 enforcement experience equates to over  
15 investigation. I think that's probably not a  
16 fair assumption.

17 I think that what law-enforcement  
18 experience gives you is the ability to tell  
19 what's necessary and what's not. The ability  
20 to read people, the ability to understand look,  
21 this is not an area which needs further  
22 investigation.

23 So, I actually would make the  
24 opposite assumption that that experience allows



1 us to do a thorough yet efficient  
2 investigation.

3 COMMISSIONER ZUNIGA: Well, that's  
4 where you and I might disagree. My impression  
5 is -- I said point.

6 CHAIRMAN CROSBY: I tend to agree  
7 with you. I think -- I tend to think there is  
8 sort of a law-enforcement culture, mentality,  
9 set of standards and priorities. But whether  
10 there is or not, I actually do feel that Ed  
11 Bedrosian -- Either it doesn't exist if  
12 Commissioner Cameron is right and it doesn't  
13 matter. Or if you're right it does exist as a  
14 culture that he is not a captive to it.

15 He really came across as, I think,  
16 as quite flexible and predisposed to see that  
17 maybe it's time to rethink overregulating. At  
18 one point, he said something. I talked to him  
19 also yesterday morning. He may have said it at  
20 that point. But he said something about it  
21 would seem to me at this stage of the game  
22 would be the time to take a deep dive and see  
23 where we are in our regulatory environment.

24 So, I appreciate your point. For

1 what it's worth I have the same concern. For  
2 what it's worth, I don't think he would be --  
3 contribute to that in a way that would be  
4 troublesome for me.

5 COMMISSIONER ZUNIGA: And I will  
6 remind you my concern was ameliorated  
7 throughout the conversation. I had that  
8 initial concern. To a greater degree, he did  
9 mention, I'll recognize and I think it's all  
10 being spoken here, a number of points towards  
11 the more pragmatic balanced approach.

12 COMMISSIONER STEBBINS: Just to pick  
13 up on this piece of the conversation, it was a  
14 quote Mr. Bedrosian gave is that he did come  
15 away with a perspective that 23K is, I think,  
16 he said this verbatim, 23K is more than just  
17 about gaming.

18 CHAIRMAN CROSBY: He said I see it  
19 as an economic development law.

20 COMMISSIONER STEBBINS: Yes, it's an  
21 economic development law. What was interesting  
22 that both candidates came back to us and said  
23 that feeling the need to invite industry in, to  
24 keep the doors open to industry. Mr. Bedrosian

1 had some of that going back to the work he did  
2 on tobacco and the Master Settlement Agreement.

3 So, I think both men offer kind of  
4 almost the same viewpoint on our statute in  
5 terms of their approach to how they would  
6 direct the Commission.

7 CHAIRMAN CROSBY: Okay. So, you're  
8 clearly leading to Bedrosian. Are you still  
9 leaning towards --

10 COMMISSIONER MACDONALD: I'm still  
11 leaning.

12 CHAIRMAN CROSBY: I think I am too,  
13 with very, very mixed feelings but we have to  
14 get to a bottom line.

15 COMMISSIONER ZUNIGA: That sort of  
16 settles it.

17 CHAIRMAN CROSBY: (A) I am not cast  
18 in stone. And (B) we've always tried to  
19 conduct ourselves where we can to give  
20 everybody as much of an opportunity to move  
21 towards consensus as we can, although there is  
22 no reason to.

23 We've been 3-2 on many votes.  
24 There's nothing wrong with that at all. But I

1 don't want to force the question if there's  
2 still more thinking to be done. And a certain  
3 part of me would love to be persuaded to go the  
4 other way. If we've all said our pieces and  
5 there's no more data to bring to the table and  
6 everybody's ready, then we might as well.

7 COMMISSIONER ZUNIGA: Are you saying  
8 anything else?

9 COMMISSIONER STEBBINS: No. Again,  
10 I go back to the early comment that one of the  
11 stakeholders that we talked to expressed which  
12 was wish we could find opportunities for both  
13 of them because they would both offer  
14 tremendous value to our organization going  
15 forward.

16 Maybe I just come down a little bit  
17 more in terms of the knowledge leadership that  
18 Mr. LaBoy would bring, but again, I think both  
19 gentlemen could adequately do the job.

20 CHAIRMAN CROSBY: Clearly, if you  
21 could combine them, we'd have King Kong. We  
22 would be home free. There is no question about  
23 that. But unfortunately, that's not available  
24 to us. Do you want to make a motion?

1                   COMMISSIONER CAMERON: I do, Mr.  
2 Chair. I move that the Commission charge  
3 Commissioner Stebbins and staff to negotiate a  
4 compensation package within the range between  
5 \$130,000 and \$180,000 as specified in the  
6 posting for Mr. Edward Bedrosian, Jr. and that  
7 the candidate shall also submit to a required  
8 background check, drug screen and review of  
9 references prior to employment by the  
10 Commission.

11                   CHAIRMAN CROSBY: Do we have a  
12 second?

13                   COMMISSIONER MACDONALD: Second.

14                   CHAIRMAN CROSBY: Further  
15 discussion?

16                   COMMISSIONER STEBBINS: I would just  
17 hope even though we may have differing opinions  
18 on the candidates, but if there's a majority  
19 for a certain candidate that all of us at least  
20 express our unanimous support for the  
21 individual who might be our next executive  
22 director.

23                   CHAIRMAN CROSBY: I don't quite --  
24 So, it's going to be 5-0?

1                   COMMISSIONER STEBBINS: I would hope  
2 so.

3                   COMMISSIONER ZUNIGA: Can I ask a  
4 question on the motion? How did we come up  
5 with the range?

6                   COMMISSIONER STEBBINS: The range  
7 was worked out with HR. And that was the range  
8 that was originally placed in the posting.

9                   COMMISSIONER ZUNIGA: Okay.

10                  CHAIRMAN CROSBY: What did we pay  
11 Rick?

12                  COMMISSIONER STEBBINS: I believe  
13 his starting salary was closer 180. And at the  
14 time of his departure, he was closer to 190.

15                  CHAIRMAN CROSBY: I don't know if  
16 this is the time, because we already posted  
17 this, but yes, not having what we paid the  
18 prior person in our range seems odd to me. I  
19 apologize for not picking this up before.

20                  COMMISSIONER CAMERON: I think it's  
21 a negotiation, Mr. Chair. I don't think that's  
22 set in stone because it's in a posting. It's a  
23 negotiation.

24                  MS. BLUE: It is in the motion, if

1 you would like to if you would like to increase  
2 it, we certainly can. I think if you would  
3 like to go that way we should change that in  
4 the motion. We should have an upper limit  
5 however that you do not want us to go past.

6 COMMISSIONER ZUNIGA: I'm fine with  
7 the range. I just wanted to be on the record  
8 that that was how we came up with the range  
9 that's all. It's a large range in other words.

10 COMMISSIONER CAMERON: Mr.  
11 Chairman's point is that it's less than what we  
12 were paying our former executive director. And  
13 do we want to at least for stating the motion  
14 we could go to 190 and that way there would be  
15 no inequity with what we were paying.

16 CHAIRMAN CROSBY: Let me just  
17 interrupt for one second. I think we're  
18 getting a body language signal here that there  
19 may be a contribution to the conversation.

20 MR. LENNON: We are not confined by  
21 the top range of the posting. We can go above  
22 that.

23 CHAIRMAN CROSBY: We're not confined  
24 by the top range of the posting.

1                   COMMISSIONER CAMERON: It's the  
2 motion.

3                   MS. BLUE: It's the motion, yes.

4                   MR. LENNON: So, you can change that  
5 in the motion but we're not confined by the  
6 posting.

7                   CHAIRMAN CROSBY: I think we should  
8 just delete the reference to salary. To put a  
9 cap invites the cap. So, my inclination would  
10 be to just leave that out and leave that to the  
11 discretion.

12                   A range has been posted so that  
13 people who applied for this job know the  
14 approximate range we are thinking about. So,  
15 anybody who thinks they're going to get wildly  
16 outside that range is living in never never  
17 land.

18                   So, any negotiations that you do  
19 will be conducted within the parameters of our  
20 prior experience and the posting. Having said  
21 that - I think we will have to approve it in  
22 any event. So, I think let's just delete the  
23 salary section.

24                   COMMISSIONER CAMERON: So, I amend



1 my motion to provide Commissioner Stebbins and  
2 staff to negotiate a compensation package  
3 without a specified range.

4 CHAIRMAN CROSBY: You second that as  
5 well?

6 COMMISSIONER MACDONALD: Second.

7 CHAIRMAN CROSBY: Further  
8 discussion? All in favor, aye.

9 COMMISSIONER MACDONALD: Aye.

10 COMMISSIONER CAMERON: Aye.

11 COMMISSIONER ZUNIGA: Aye.

12 COMMISSIONER STEBBINS: Aye.

13 CHAIRMAN CROSBY: All opposed? The  
14 ayes have it unanimously. Congratulations,  
15 first to Mr. Bedrosian but also to Mr. LaBoy.  
16 I want to reiterate my incredible appreciation  
17 to those two men for putting themselves through  
18 this.

19 To the Commissioners for being  
20 willing to talk straight and do this. And  
21 particularly to -- Well, I guess we won't say  
22 farewell to Mr. LaBoy until we finished talking  
23 to Mr. Bedrosian, but my special thanks to Mr.  
24 LaBoy. Anything else folks? Do I have a

1 motion to adjourn?

2 COMMISSIONER MACDONALD: So moved.

3 CHAIRMAN CROSBY: All right, we did.

4 Thank you all.

5

6 (Meeting adjourned at 3:44 p.m.)

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1 ATTACHMENTS:

- 2
- 3 1. Massachusetts Gaming Commission December  
4 9, 2015 Notice of Meeting and Agenda
- 5 2. Massachusetts Gaming Commission November  
6 19, 2015 Meeting Minutes
- 7 3. Massachusetts Gaming Commission ILEV  
8 Petition Analysis for:  
9 Petitioner: Massachusetts Performing Arts  
10 Coalition  
11 Applicant: Mass Gaming and Entertainment,  
12 LLC December 9, 2015 with attachments
- 13 4. Mass Gaming and Entertainment, LLC  
14 Surrounding Community Agreements  
15 (Abington, Avon, East Bridgewater, Easton,  
16 Holbrook, Stoughton, West Bridgewater,  
17 Whitman)
- 18 5. Massachusetts Gaming Commission December  
19 7, 2015 Memorandum Regarding Screening for  
20 Executive Director/Interviews of Finalists  
21 with attachments
- 22  
23  
24

1 GUEST SPEAKERS:

2 Lyle Hall, HLT Advisors

3 Justin LaCroix, Zeiterion Theatre

4 Vince Longo, MPAC

5

6 Edward Bedrosian, Jr., ED Finalist

7 Charles LaBoy, ED Finalist

8

9 MASSACHUSETTS GAMING COMMISSION STAFF:

10 Jill Griffin, Director Workforce, Supplier and

11 Diversity Development

12 Karen Wells, Interim Executive Director/

13 Director IEB

14 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.

WITNESS MY HAND this 15th day of December, 2015.



LAURIE J. JORDAN  
Notary Public

My Commission expires:  
May 11, 2018