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THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #180

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

Lloyd Macdonald

Bruce W. Stebbins

Enrique Zuniga

March 3, 2016 10:00 a.m.- 2:37 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 calling to order the 180th meeting of the Massachusetts Gaming Commission on March 3, 2016 today held at our Gaming Commission offices.

Our usual first item on the agenda is approval of minutes, Commissioner Macdonald.

COMMISSIONER MACDONALD: I move that the minutes of the meeting of February 18, 2016 be approved subject to any corrections typographical errors or other nonmaterial matters.

COMMISSIONER CAMERON: Second.

CHAIRMAN CROSBY: Any discussion?
All favor, aye.

COMMISSIONER MACDONALD: Aye.

COMMISSIONER CAMERON: Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Opposed? The ayes have it unanimously. We're going to make one quick change in our schedule. Item 9(c) which is the report on a qualifier from our

1 Investigations and Enforcement unit which will
2 be relatively quick we think and hope. We are
3 going to make that first. So, Director Wells.

4 MS. WELLS: Good morning, Mr.
5 Chairman and members of the Commission. It's
6 my pleasure to be here this morning to report
7 out on the investigation on the application for
8 Konami Gaming, Incorporated for a gaming vendor
9 primary license.

10 Konami Gaming, we did a scope of
11 licensing for them and identified not only the
12 applicant but seven entity qualifiers and 14
13 individual qualifiers as part of the scope of
14 the investigation. And then we evaluated
15 Konami Gaming based upon the standards set in
16 23K sections 12, 16 and 31 along with 205 CMR
17 134.10, which included integrity, honesty, good
18 character and reputation, financial stability,
19 integrity and background, history of compliance
20 with gaming licensing requirements in other
21 jurisdictions; whether the applicant was a
22 defendant in litigation at time of the
23 application; the applicant's criminal history,
24 if any; whether the applicant submitted an

1 application that intentionally contained false
2 or misleading information; whether the
3 applicant committed prior acts but have not
4 been prosecuted but formed a pattern of
5 misconduct. And what extent the applicant has
6 associations with members of organized crime or
7 other persons of disreputable character. And
8 the applicant's cooperation with the IEB in
9 connection with the background investigation.

10 I'd like to comment on that last
11 part, especially. I have with me this morning
12 Nick Casiello from Fox Rothchild who represents
13 Konami, Mr. Tom Jingoli, Chief Compliance
14 Officer. During the course of the
15 investigation, which Sergeant Gina Joyce was
16 the lead, the applicant was extremely
17 cooperative forthcoming.

18 I would say in the course of the
19 investigation there were never any issues where
20 they did not respond, respond timely and
21 appropriately.

22 Under the Massachusetts law, an
23 applicant for a gaming vendor primary license
24 is required to establish their qualifications

1 by licensure by clear and convincing evidence.
2 I would suggest to the Commission, based on the
3 information that we had, it was appropriate for
4 us to recommend that the Commission award them
5 a license and find them suitable for a gaming
6 primary vendor license.

7 Konami Gaming is a Nevada based
8 company that produces, manufactures and
9 distributes slot machines, slot video slot
10 machines in the casino industry. Konami Gaming
11 also designs and develops SYNKROS product, an
12 integrated casino management system for the
13 gaming market. They are currently licensed in
14 over 300 North American and international
15 gaming jurisdictions.

16 Konami Gaming or KGI is 100 percent
17 subsidiary of Konami Corporation of America
18 which in turn is owned by Konami Holdings
19 Corporation. Konami Holdings Corporation is a
20 public company that is based in Japan and is
21 traded on the Tokyo and London stock exchanges.
22 The stock in Konami Holdings is held almost
23 entirely by the four members of the Kozuki
24 family, all of whom are individual qualifiers

1 here.

2 At its very essence, Konami is
3 really a family based business and that's what
4 we learned during the course of the
5 investigation. The structure involving the
6 other entity qualifiers serves as a wealth and
7 estate planning vehicle for the Kozuki family
8 owners and also serves to channel funds for
9 charitable purposes in Japan.

10 As part of the investigation, the
11 IEB among other things reviewed the materials
12 submitted as part of their application,
13 requested and reviewed supplementary
14 information as deemed necessary, and gathered
15 information from a variety of governmental and
16 nongovernmental sources and databases,
17 conducted criminal records checks, verified the
18 accuracy of information as part of Konami's
19 application. Reviewed investigative files of
20 gaming regulators in other jurisdictions
21 relative to their backgrounds investigations of
22 KGI and communicated by telephone through the
23 course of the investigation with Mr. Jingoli
24 and other members of the Konami group.

1 Konami Gaming has no criminal
2 record. The investigation revealed no civil
3 litigation that threatens the economic
4 viability of the business or would negatively
5 impact licensure. We also did open media
6 searches and looked for information in the
7 public domain concerning Konami Gaming and
8 found no information that would be of concern
9 to the Commission.

10 The IEB also evaluated Konami Gaming
11 for financial suitability, integrity and
12 background by performing financial analysis and
13 verification of its financial information. To
14 further assess their financial stability, we
15 performed several ratio analyses on operating
16 results for a number of years. Those ratio
17 analyses consisted of evaluation of liquidity,
18 solvency and profitability for the years under
19 review.

20 The financial investigation did not
21 reveal any areas of concern that would
22 negatively impact the suitability.

23 The IEB also performed the requisite
24 background suitability investigations of the 14

1 individual personal qualifiers by virtue of
2 their ownership interest, their ability to
3 exercise control or to provide direction to the
4 applicant. Those individuals demonstrated by
5 clear and convincing evidence that they also --
6 The IEB's recommendation is that they be found
7 suitable by the Commission.

8 I think it's important to note that
9 Konami is a large-scale manufacturer of gaming
10 machines and has a significant share of the
11 market for those devices. Not only has come
12 Konami done business with Plainridge Park
13 Casino, it's reasonable to expect that they may
14 do business and probably will be doing business
15 with Wynn and MGM as well.

16 That business relationship continues
17 beyond the initial delivery of the slot
18 machines including the maintenance of those
19 machines and the production of new products.
20 As such, the Commission will be having an
21 ongoing regulatory role with Konami Gaming.

22 And the investigation established a
23 solid regulator/licensee relationship with the
24 applicant and provided the IEB with a

1 comprehensive understanding of not only their
2 operations, but also the people that are the
3 decision-makers running this company. That
4 relationship and that understanding that will
5 be critical going forward.

6 I would like to especially
7 compliment Sergeant Gina Joyce for not only
8 doing an outstanding job with the
9 investigation, but also in representing the
10 Commission well in defining that
11 regulator/licensee relationship.

12 And I'd like to also give a special
13 thank you to Marlin Polite who completed the
14 financial entity analysis. After being at the
15 Commission for a very short time, he not only
16 performed the work in an expedited manner but
17 also completed a sophisticated analysis of what
18 needed to be done given what we already knew
19 about the company.

20 I cannot emphasize again enough how
21 cooperative Konami Gaming has been especially
22 Mr. Tom Jingoli, the Chief Compliance Officer
23 here is with us today along with Nick Casiello
24 from Fox Rothschild.

1 So, I have Mr. Casiello and Mr.
2 Jingoli. I think they wanted to make a few
3 brief statements. And then I also have
4 Sergeant Joyce and Marlin Polite here in case
5 Commission has any questions. But overall, the
6 IEB is recommending that the Commission find
7 Konami Gaming suitable for licensure.

8 MR. CASIELLO: Thank you, Director
9 Wells. In light of the recommendation of the
10 IEB, we don't feel the need to provide any sort
11 of affirmative presentation. We are happy to
12 answer any questions you have about the
13 company. Perhaps after you vote, you'd indulge
14 me for maybe a minute because I'd like to say a
15 few things.

16 CHAIRMAN CROSBY: Commissioners any
17 comments, questions?

18 COMMISSIONER CAMERON: I would just
19 like to comment on first the quality of the
20 investigation. Someone who has read hundreds
21 and hundreds of investigations, this was very
22 well prepared, easy to follow. Fifty pages,
23 but I know how much more work is involved than
24 what we see in those findings.

1 And I would like to echo Director
2 Wells' statements about how important it is for
3 us as a new Commission to set an example, to
4 let people know that we are serious regulators
5 but yet we are very professional, we're
6 thorough.

7 And that is a relationship that we
8 will have much longer than the five us sit
9 here, frankly. This is a company that we'll be
10 doing business with for years and years and
11 years. And to set that tone early as a
12 regulator who is thorough but yet professional
13 I think is critical. I believe that we have
14 set that tone for these investigations. And I
15 just want to commend the team.

16 CHAIRMAN CROSBY: Any other thoughts
17 or questions?

18 COMMISSIONER ZUNIGA: Yes. I agree
19 with all of that. I read the report. It's
20 very thorough. I know -- If you're going to
21 make some statements after we vote, I have some
22 general questions about the industry, totally
23 unrelated to your licensure. I'll save them
24 for that time. But I think it's great that we

1 are completing this very important licensure
2 stage.

3 CHAIRMAN CROSBY: I just have one
4 that really doesn't have to do with the
5 suitability but the Kozuki Trust and the Kozuki
6 Foundation both have at least in part a
7 philanthropic function or commitment. As best
8 I can tell on one of them for sure and the
9 other one it seemed didn't really do much in
10 the way of philanthropy. One of them was I
11 think like a tenth of a percent of the assets.
12 That was the trust, right?

13 Can you just explain what that's
14 about? To lead with the philanthropic intent
15 and then to not do much in the way of
16 philanthropy seemed odd to me but I realize
17 these are Japanese corporations and entities
18 not ours. So, maybe it's a different standard.

19 MR. CASIELLO: With respect to the
20 Kozuki Foundation, which was originally known
21 as the Kozuki -- I shouldn't say originally,
22 but at one time at one time was known as the
23 Kozuki Foundation for Sports and Education. It
24 along with the trust derives its income from

1 dividends issued by Konami Corporation. And it
2 does distribute those dividends to those
3 endeavors.

4 With respect to Kozuki Trust --

5 CHAIRMAN CROSBY: It distributes all
6 of that to those philanthropic endeavors,
7 effectively all that?

8 MR. CASIELLO: Yes, that's all it
9 does. With respect to the Kozuki Trust, as you
10 read from the report, the beneficiaries are the
11 Swiss Red Cross, Doctors without Borders and
12 one other. And you're correct, it has not
13 distributed a significant part of those
14 dividends to those beneficiaries yet. But it
15 is the intent that it will do so.

16 I know, for example, that the trust
17 has made a long-term commitment to the
18 University of Nevada in Las Vegas.

19 MR. JINGOLI: That is correct. Mr.
20 Kozuki made a promise when we were initially
21 licensed in Nevada back in 2000 that he would
22 consider local endeavors within the state once
23 they got licensed. And that's some of the
24 things they've done.

1 The lion's share of that has gone to
2 the University of Nevada, Las Vegas which we
3 probably contributed close to \$7 million to the
4 University over the past six or seven years.
5 It's continually looking at other endeavors
6 throughout North America.

7 CHAIRMAN CROSBY: Is the intent that
8 all of that asset will be distributed? Or is
9 the intent that a percent will be distributed
10 on an ongoing basis? Is the philanthropic
11 function just one function and it has others?
12 Are there tax benefits to this structure but it
13 doesn't really necessarily mandate
14 philanthropic distributions?

15 MR. CASIELLO: It's only purpose is
16 philanthropic. It will distribute -- How do I
17 put this? It eventually will distribute all of
18 the dividends it receives for charitable
19 purposes.

20 CHAIRMAN CROSBY: Somebody is going
21 to get a lot of money someday.

22 MR. CASIELLO: That is the intent.

23 CHAIRMAN CROSBY: A huge amount of
24 money has been building up in there.

1 MR. JINGOLI: I've been trying to
2 get my name on that but it hasn't worked.

3 CHAIRMAN CROSBY: Exactly. I had
4 the same thought. Anybody else?

5 COMMISSIONER STEBBINS: I would just
6 echo Commissioner Cameron's points about this
7 investigation but knowing that you've gone
8 through this in 300 other jurisdictions, I
9 certainly would welcome your feedback as to
10 what this experience was like for your
11 organization.

12 MR. JINGOLI: Certainly,
13 Commissioner, I'd be happy to. As I mentioned
14 earlier we were talking about the subject that
15 we do have a significant amount of licenses.
16 And you'll see that with the other major slot
17 manufacturers.

18 What I can tell you is that the
19 Massachusetts Gaming Commission from day one
20 with our organization has been great. Led by
21 Sergeant Joyce, they took the time to
22 understand our company and certainly understand
23 the culture. We're a little bit different.

24 Obviously, we're a US-based company

1 however we have quite a few qualifiers in
2 companies in Japan. And their culture is
3 different than our culture. Even though
4 they've been through this several times, it's
5 still not a normal thing for them to turn over
6 their checking accounts and have people go
7 through their tax returns.

8 And I will say that your
9 organization did a fantastic job of not only
10 doing their due diligence and doing the
11 investigation, but focusing on our company and
12 really understanding our culture. So, nothing
13 but high compliments from me and my entire
14 organization in dealing with your team.

15 COMMISSIONER STEBBINS: That's good
16 to hear. Thank you.

17 MR. CASIELLO: I was going to wait
18 until after you voted to address that issue.
19 And I think both Tom and Commissioner Cameron
20 have taken the words out of my mouth. I've
21 been involved in representing companies in the
22 gaming business for 36 years. Tom has been
23 with Konami 16 years. I've represented Konami
24 for about 16 years in multiple jurisdictions.

1 I thought this was one of the most
2 professional but thorough investigations I have
3 ever been involved in. I was especially
4 pleased by the organized, efficient manner the
5 reports were written. I can't say enough about
6 it. I think as Tom said, the staff really
7 understood the company before they dove into
8 the investigation. They took the time to learn
9 about the company. That made things a lot
10 easier.

11 They were appreciative of the
12 cultural differences. I just can't say enough
13 good things about the staff. I do want to say
14 that I certainly think leadership starts at the
15 top. I don't see Lieutenant Connors here but I
16 am sure --

17 CHAIRMAN CROSBY: He's back there.

18 MR. CASIELLO: -- but I'm sure a lot
19 of the credit goes to him and to Director
20 Wells.

21 MR. JINGOLI: I would just add one
22 thing that we spend a lot of time compiling
23 these applications. They do take a lot of
24 time. And they're not obviously inexpensive to

1 do that between paying the legal fees of my
2 high-priced attorney sitting next to me, but a
3 lot of jurisdictions when we submit them, they
4 don't read what we submit.

5 Then we'll start to get questions
6 that are clearly outlined in the applications
7 that we've submitted. That didn't happen here
8 once.

9 Our company is a little complex when
10 it gets to some of the Japanese stuff. So,
11 that is to be expected. But your organization
12 did a thorough job of reading what we submitted
13 in the thousands and thousands of pages and
14 volumes of binders that we submitted to try and
15 explain our organization before we got down to
16 the time of the investigation.

17 So, when they came to our office to
18 conduct the investigation, they already had a
19 complete understanding of our background and
20 what our company did and how our company
21 operated and how it was set up.

22 So, that was really important when
23 we see that. And I have to say we don't see
24 that very often when we file applications.

1 It's an exercise that we do. Sometimes we just
2 feel like the documents aren't even looked at.
3 And they use the time when they come to the
4 office to go through that. And that certainly
5 was not the case at any point in time during
6 the course of this investigation.

7 MR. CASIELLO: May I just add one
8 thing with respect to timing? This is a
9 multinational, multibillion-dollar corporation.
10 Other jurisdictions would have taken much
11 longer to do what your staff did.

12 CHAIRMAN CROSBY: Great. Thank you
13 for those, comments. That's really
14 appreciative. Not a surprise to us frankly,
15 but nevertheless great to hear. Thank you.
16 Any other comments?

17 COMMISSIONER STEBBINS: Mr.
18 Chairman, I would move that the Commission
19 accept the report of the IEB and recommend that
20 we approve the application of Konami Gaming,
21 Inc. for licensure as a gaming vendor primary.

22 COMMISSIONER MACDONALD: Second.

23 CHAIRMAN CROSBY: Further
24 discussion? All in 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. Welcome and
7 congratulations.

8 MR. JINGOLI: Thank you very much.

9 COMMISSIONER CAMERON: Thank you.

10 COMMISSIONER ZUNIGA: Can I ask a
11 couple of questions about the industry? So,
12 you mentioned Mr. Jingoli, the costs of
13 compliance, if you will, in terms of time and
14 documents and fees, etc. It can be
15 substantial, not just here but in many other
16 jurisdictions. We're doing what we are
17 directed to do by statute and we'll continue to
18 do that.

19 But I think about big picture. In
20 addition to this, there seems to me that
21 there's been quite a bit of industry
22 consolidation in the gaming world, especially
23 in the gaming software and equipment world not
24 necessarily with your company but elsewhere.

1 And I wonder if on the one side the
2 cost of compliance acts as a little bit of a
3 barrier, if you will, to some degree, and with
4 industry consolidation we may have less and
5 less of these companies. I just want to hear
6 your thoughts about that. What that may do to
7 the long run for competitive purposes, for
8 development of new products, staying
9 competitive, etc.

10 MR. JINGOLI: Sure. To tackle the
11 cost issue first. For my company to get
12 licensed whatever jurisdiction that is whether
13 it's the Commonwealth or Nevada or New Jersey,
14 it's very expensive because we are a Japanese
15 company. So, documents that typically other
16 companies don't have to get translated and
17 qualifiers.

18 So, it's always going to be more
19 cost prohibitive for my company to obtain a
20 license than lets a company like maybe IGT or
21 SCIGames, some of the other bigger, larger
22 companies just because we're a multinational
23 company. So, we know that going in. That's a
24 hard line. We know that that's going to cost

1 us that.

2 To touch on your point about
3 consolidation, yes, there's been some major
4 consolidation in the manufacturing world.
5 We'll see how that plays out. I can tell you,
6 I've been in this business for 22 years on the
7 manufacturing side. And 22 years ago there was
8 probably six manufacturers. And now there's
9 close to 30 to 35 manufacturers.

10 So, you have a lot more fish biting
11 at the bait, so we like to say. So, there's
12 still some large anchor manufacturers like
13 ourselves and SCIGames, IGT, Aristocrat but
14 there's also a lot of smaller entities out
15 there that produce slot machines. And it's
16 competitive.

17 As far as the market, there's very
18 few states left that don't offer some form of
19 integrated resort style casino gambling. So, I
20 think if you want to grow your company or
21 expand it, you have to come to states like
22 Massachusetts and get a license. Quite frankly
23 that's one of the reasons that Konami went into
24 this business 20 some years ago because there

1 is a barrier to entry.

2 It's not for everybody. And it's
3 not so much a financial issue. It's the
4 background investigations. People just don't
5 want to go through that. So, we consider that
6 very important. That's why in any market that
7 we go to, we would prefer a strict, robust
8 regulatory system like you have here in the
9 Commonwealth because it will keep other
10 companies out.

11 Again, it's a barrier, it's a built-
12 in barrier to entry. We've spent millions and
13 millions of dollars on licensing of our
14 company. I'd be safe to say that we probably
15 spent as much if not more than any other slot
16 manufacturer since inception getting licensed
17 because we are a multinational company.

18 So, having that barrier to entry,
19 having those things like that like having
20 technical standards. So, your slot machines
21 have to be approved in order to get on a casino
22 floor is very important for Konami to have that
23 structure in place to keep other companies from
24 wanting to enter that business.

1 If they want to, they have to play
2 by the same rules and regulations that we do.
3 You have to file an application. You have to
4 pay your fees. Individuals have to be found
5 suitable. The company has to be found
6 suitable. And then more importantly, you have
7 an ongoing relationship with the regulatory
8 body moving forward.

9 I hope that answers your question.

10 COMMISSIONER ZUNIGA: Yes, it does
11 very much, right on point. I also am curious
12 if the stock of the company is ultimately held
13 by the family, why be a public company? Access
14 to capital in the States?

15 MR. JINGOLI: So, Mr. Kozuki had
16 always wanted his company to become public. He
17 started out as a jukebox repair company in
18 1969. And it's a very distinct honor and
19 privilege in Japan when you have a publicly
20 traded entity. That was a big deal for him and
21 his family to take the company to that point.

22 We used to be traded on the New York
23 Stock Exchange. We had ADRs. And we delisted
24 about two years ago just because all of the

1 institutional investing was being done back in
2 Japan. So, it was cost prohibitive for us not
3 to be licensed in New York.

4 It's important to him. We're on the
5 first listed company of the Tokyo Stock
6 exchange, which is earmarked for companies that
7 have very good regulatory filings and are very
8 well thought of in the Japanese community. So,
9 it's very important for him to have his company
10 listed on the exchange. Obviously, financing
11 is available for us.

12 COMMISSIONER ZUNIGA: Thank you.

13 CHAIRMAN CROSBY: Anything else?
14 Thank you all very much. Appreciate it.

15 CHAIRMAN CROSBY: We're back to item
16 number 3 which is an administrative update from
17 Executive Director Bedrosian.

18 MR. BEDROSIAN: Good morning members
19 of the Commission. If you don't mind, I will
20 take 3(a) and (c) jointly and then turn it over
21 to Commissioner Zuniga for 3(b).

22 General update on the Valentine's
23 Day Flood of 2016, I'm happy to report that I
24 think all of the water damage to our office has

1 been mitigated. Folks are back in their space.
2 Any damage was dealt with promptly by our
3 building folks who we want to thank.

4 I want to thank Ms. Reilly and our
5 staff for putting up with what turned out to be
6 just an inconvenience and not a destructive
7 event. So, as I said before, I continue to
8 look on the bright side of that event.

9 CHAIRMAN CROSBY: Great. I talked
10 to somebody on the elevator from the 14th
11 floor. And apparently, they had it much worse.

12 MR. BEDROSIAN: Yes, exactly. I
13 think there were other folks in the building
14 unfortunately who had it much worse.

15 CHAIRMAN CROSBY: Your sense of the
16 building management's cooperation and
17 reasonableness continues?

18 MR. BEDROSIAN: They were very
19 responsive, there within hours. Also kept us
20 well informed. The communication which is
21 always important, they were very communicative
22 and responded to our needs. And if there are
23 leftover things, we will get them addressed.

24 CHAIRMAN CROSBY: Okay.

1 MR. BEDROSIAN: So, that is my
2 general update. Region C update, as you know,
3 we had a host community meeting in Brockton
4 earlier in the week. Before that, we have
5 accepted an invitation from the Tribe to meet
6 with them on March 15th. Working out the
7 details of that.

8 But as a result of that meeting and
9 anticipated presentation, we are going to --
10 and we did not close our host community
11 meeting. We anticipate going back down to
12 Brockton, probably the last week of March.
13 That will necessitate a statutory delay in your
14 deliberations, probably until the last week of
15 April.

16 At the staff level, we continue to
17 think that the information you will be provided
18 on the 15th is very important information.

19 CHAIRMAN CROSBY: Yes. I just want
20 to say, I and others have repeatedly requested
21 as much information as possible about the
22 tribal situation in order to help inform the
23 decision that we will ultimately be making on
24 Region C.

1 I for one am tremendously
2 appreciative of the Tribe's willingness. I
3 understand the issues of sovereignty and how
4 this is not easy. And there are some delicate
5 issues of relationship and status. And for
6 them to be willing to invite us to their land
7 to get a presentation on this is tremendously
8 appreciated and helpful. And I hope you'll
9 pass that along.

10 MR. BEDROSIAN: I will. And of
11 course, we thank our applicant for their
12 presentation earlier in the week and understand
13 they may want to respond. And we will
14 accommodate that also.

15 CHAIRMAN CROSBY: Right. That would
16 be totally understandable.

17 MR. BEDROSIAN: Absolutely,
18 absolutely. That's all I have. Commissioner
19 Zuniga I don't know if you want to talk about
20 3(b).

21 COMMISSIONER ZUNIGA: Sure. So,
22 Commissioners you might remember that I passed
23 along a memo on the last meeting relative to
24 risk assessment and internal audit function.

1 This is the time of year when we do
2 an annual risk assessment. And I as the risk
3 officer with Executive Director Day (SIC) will
4 be overseeing some of that function in talking
5 to different directors about their procedures,
6 etc. towards risk mitigation.

7 In my view, as an update I wanted to
8 just report that I'm thinking of this in two
9 ways. There's internal risks, many of which we
10 currently address with directors and think
11 about them in the finance and administration
12 function. But there's also external risks now
13 with a fully operational casino, most of which
14 now are being addressed and certainly mitigated
15 to a great degree with the presence that we
16 have there with our Investigations and
17 Enforcement Bureau.

18 So, the sole purpose of that memo
19 was to update you. In my view, it is rather
20 important that you are at least -- that the
21 head of the agency is aware of these functions.
22 And that was the pure reason of this update.
23 That is an ongoing process, a yearly process
24 and we'll continue to report as needed. I can

1 take any questions if anybody is interested.

2 COMMISSIONER CAMERON: Could you
3 highlight some your findings from your
4 perspective?

5 COMMISSIONER ZUNIGA: Yes. There's
6 not yet any findings for this year. There's
7 been a risk assessment done in the past, in my
8 view very much by department. And part of the
9 reason of my enhanced focus on this is to try
10 to think about it more agency wide. So, we
11 will be reporting those, if any, in the coming
12 months.

13 The way I think about is there's
14 risks everywhere. What we do is what we're
15 thinking about to mitigate any one of them. We
16 can always let's say lose our spreadsheet in
17 the share drive. That spreadsheet is very
18 important and accessed by many people and gets
19 ultimately lost or bugged or whatever that
20 could be a problem. But what we do is back up
21 our share drive every day. And the most we can
22 lose, if it's properly backed up is one day
23 worth of work let's say.

24 That's how we think about the risk

1 assessment and we have to look at many, many
2 areas.

3 MR. BEDROSIAN: Commissioner
4 Cameron, if I could jump in. One of the things
5 I think Commissioner Zuniga and I have been
6 talking about is just making sure we are
7 consistent across our function groups.

8 This is also a way in which we all
9 talk about silos and making sure our folks who
10 work so hard -- and sometimes it even happens
11 to us, I think, we get in our little lanes.
12 And we I don't think collectively.

13 But this is one way to make sure we
14 are doing things collectively. All of our risk
15 assessment, which I think will drive other
16 discussions will make sure we are just uniform
17 in the way the Commission and staff addresses
18 all of these things.

19 My suggestion is Commissioner Zuniga
20 and I will put this tentatively on the agenda
21 for five or six months. Then we will be able
22 to work towards an update for the Commission so
23 it doesn't fall off our radar.

24 COMMISSIONER ZUNIGA: A second piece

1 -- And that's key that understanding and
2 coordination. After this risk assessment, I
3 think the next piece of this function in my
4 view will be to check in with all of our
5 compliance.

6 For the most part, the legal
7 department sort of owns a lot of the compliance
8 calendar, what we have to submit per statute to
9 the Legislature even if for example that gets
10 produced by somebody else.

11 It's that coordination across the
12 agency that I think is critical. And we're
13 doing it. I'm not saying we're not. It's just
14 that we need to be mindful that everybody's
15 doing what they're supposed to.

16 COMMISSIONER CAMERON: Thank you. I
17 look forward to that update several months down
18 the road here.

19 MR. BEDROSIAN: That's all I have.
20 I'll leave it up to you if you want to go onto
21 item number 4.

22 CHAIRMAN CROSBY: Yes. I'm now
23 pleased to turn to our Director of Workforce
24 and Supplier Diversity, Jill Griffin with the

1 next several big and important items.

2 MS. GRIFFIN: Great, thank you
3 Commissioners, Chairman Crosby. As you know,
4 when the casinos in Springfield and Everett
5 open, we will have brand-new career
6 opportunities for Massachusetts residents
7 including slot attendants, table games dealers,
8 security and surveillance officials.

9 It will be no small feat to ensure
10 that we have qualified individuals here in
11 Massachusetts ready for the approximate 7000
12 new casino jobs in Eastern and Western
13 Massachusetts.

14 Here today with me are
15 representatives from the Massachusetts Casino
16 Careers Training Institute. They are here to
17 give you an update regarding the establishment
18 of gaming training schools in Massachusetts.
19 And related to the many additional
20 opportunities in food and beverage and
21 hospitality, they will also highlight
22 activities related to the scale-up of
23 hospitality and culinary workforce training
24 activities.

1 Later on in the program, we'll hear
2 from Bristol Community College to update us on
3 the Culinary Arts Tourism Casino and
4 Hospitality Institute.

5 But right now, I have Bob LePage to
6 my right from the Springfield Technical
7 Community College, Jeff Hayden from Holyoke
8 Community College. And representatives from
9 Bunker Hill Community College, we have Darrell
10 LeMar Executive Director of Workforce
11 Development, an Interim Dean of the Division of
12 Professional Studies, Dr. Wayne Wormley. So,
13 I'm going to turn it over to Bob.

14 MR. LEPAGE: Good morning. Thanks
15 for giving us an opportunity to share our
16 progress. I think we have a slide deck to run
17 through.

18 I start by just giving a general
19 workforce update. Our goal when we started our
20 journey and it has been a journey I think for
21 you as it has been for us that was how we were
22 going to work to ensure net job gains for the
23 Commonwealth.

24 As you're aware, the workforce

1 situation across the state has evolved
2 significantly in the last three or four years
3 with dropping unemployment rates, increased
4 pressure from employers looking for qualified
5 applicants. Longer job openings for qualified
6 positions, and that's very key in this
7 situation. Certain regions particularly in the
8 suburbs where the unemployment rates are very
9 low, yet in our gateway cities they have
10 remained particularly high. While they've
11 dropped, they're still very high relative to
12 what we'd like them to see.

13 The other element for us has really
14 been focused on capacity building. The size
15 and scope of the scale-up is really a daunting
16 challenge for the community colleges in many
17 ways and for each of the communities. We spoke
18 of specific workforce development challenges
19 that relate to this aging population.

20 I'll give you an example.
21 Manufacturing in our area alone projects in the
22 next three to five years somewhere around 2000
23 skilled technicians to retire. At the same
24 time that in Western Massachusetts we'll be

1 bringing up an employer with 3,000 jobs. So,
2 we have been working to balance different
3 industry sector needs as part of our
4 strategies.

5 At the same time, we have to deal
6 with the low educational attainment levels in
7 our gateway cities in particular and building
8 strategies that will allow people to access
9 these pathways and accelerate through them.

10 We continuously hear of continued
11 concerns of employers of how are we going to
12 balance this effort against the regional needs
13 and the community's needs relative to ensure
14 economic stability for all different sectors.
15 We'll talk a little bit about how we're doing
16 that in Western Mass. and some strategies we've
17 deployed.

18 Back to the scale-up size. I want
19 to just remind people that in each region we're
20 talking about 10,000 and 13,000. That's
21 probably a conservative estimate. We've heard
22 as many as 20,000 people who will move through
23 a process of awareness, being informed of the
24 requirements, being informed of the

1 opportunities, being aware of their situation
2 relative to their backgrounds and other things
3 that will have to be informed of the process to
4 be employed.

5 A recruitment strategy that will
6 involve somewhere 6000 to 7000 people in each
7 region. To give you an idea that would be
8 every single student in Springfield Technical
9 Community College. We service about 7000. My
10 colleagues have roughly 24,000 -- 14,000 that
11 would be half of their students to give you an
12 idea.

13 It is a major undertaking. We have
14 been working on electronic strategies that will
15 support us support in that effort, but it is a
16 major undertaking for the Commonwealth as well
17 as the community colleges in each region.
18 Ultimately, to get a scale between 3,500 and
19 5,000 employees who are then qualified for
20 employment in those regions.

21 So, a very large undertaking in what
22 now is a relatively short period of time, about
23 30 months in Western Mass.

24 Very important to reflect on the

1 labor pool. I had an opportunity to meet with
2 some other educational providers and some
3 leaders on workforce in the state. And I
4 remind them this is very much a vocational
5 scale-up. These are vocationally oriented jobs
6 primarily. They are associate degrees and/or
7 less, a high percentage being high school and
8 vocational training. It is a significant
9 scale-up, but it is a vocationally oriented
10 scale-up.

11 The jobs that are on the upper end,
12 there are adequate resources to fill those job
13 through our higher education bachelor providers
14 in the state. It's at the vocational level
15 that we face the most significant challenge.

16 We face it in all the vocational
17 areas across the state, whether it's
18 transportation, manufacturing or trades, but
19 this is a vocational scale-up. And as such it
20 has to work within some different educational
21 construct.

22 CHAIRMAN CROSBY: What does that
23 mean exactly?

24 MR. LEPAGE: Well, there are

1 constructs relative to -- for example, using
2 length of training programs and delivery of
3 training programs. Many vocational programs
4 don't fit credit delivery modality.

5 So an example, we'll talk about
6 gaming jobs. Dealer school will have to be
7 funded in a different model than normal Pell
8 and federal funding of education. Most of our
9 students, 70 plus percent of our students get
10 aid at Springfield Technical College. That aid
11 is provided through federal resources, Pell
12 funding that's attached to each individual's
13 eligibility based on their financial situation.

14 Because these are vocationally
15 oriented programs shorter in length and done
16 for vocational certificates, we don't have the
17 ability to leverage in many of these
18 occupations Pell funding. And I'm going to
19 give an example of how we are trying to build
20 some strategies to do that, but it does mean
21 that many of these jobs where we've had to
22 develop alternative funding strategies.

23 CHAIRMAN CROSBY: Okay. That's
24 really interesting.

1 MR. LEPAGE: We're going to talk a
2 little bit about the gaming schools at the
3 beginning, a little bit about MCCTI. As you
4 recall, the goal of the community colleges was
5 to develop regional strategies that had an
6 overarching consistent theme, particularly in
7 the gaming occupation areas where we wanted
8 probability across the Commonwealth of
9 credentials.

10 So, we wanted a credential that was
11 of the same value in Boston or in Brockton or
12 at the Native American eventually facility or
13 in Springfield. So that there was the ability
14 to move within the state and ensure that the
15 quality of the certificate was transferable and
16 recognized by industry partners of being in
17 value.

18 And that it was aligned to having
19 the proper number of hours and instructions so
20 that person was properly prepared to be on-
21 boarded to our partners.

22 We've started with the Casino Career
23 Training Institute of developing some career
24 resources for individuals that allows them

1 through the website to be able to go in and
2 start to investigate careers and being aware of
3 careers that will eventually then tie to each
4 institution who is offering courses.

5 So that people across the
6 Commonwealth can see where training is
7 available, when it starts, how it ends, what's
8 the price, what the model is for it. It takes
9 multiple types of careers in order. So, not
10 just the gaming careers, but it does have
11 information about hospitality, culinary
12 careers, back of house operation and
13 hospitality careers.

14 It's again to start to get a
15 statewide approach to providing consistent
16 information about the requirements that will
17 link to the Gaming Commission relative to the
18 employability requirements which as you know
19 are a very important component of the scale-up
20 strategy.

21 That's up now live. And we do have
22 people and we do feed people to it for
23 informational purposes. As we get closer to
24 the launch of the recruitment stage, and I'll

1 talk a little bit about timing, certainly we
2 expect the activity to accelerate.

3 The gaming school process has been a
4 work in progress. As you know, the goal was
5 that within each region one of host colleges,
6 the lead host would provide a facility, a
7 secure facility where we would train people
8 relative to the standards of the gaming school
9 set by the Commission.

10 That that facility would be in
11 partnership with the resort in the local
12 market. That there would be a pipeline of
13 students. That the process would use a
14 standardized assessment approach. We are going
15 to be using a tool called Career 101 that will
16 allow us to assess candidates on the front-end,
17 gather data on their current abilities in
18 reading, mathematics and locating information.
19 It is a national tool.

20 At the same time, it is a tool that
21 the Mass. Department of Labor is rolling out to
22 all career centers and adult basic ed.
23 programs. So, we'll have a platform that will
24 be used across the Commonwealth but will feed

1 into the gaming school as well.

2 I talked about standardized
3 curriculum. We talked in the past that we will
4 be adopting the Atlantic Cape Community College
5 curriculum that is used in many states across
6 the Commonwealth and fact globally. It's kind
7 of the gold standard in community college and
8 educational provider worlds.

9 We've started the process of looking
10 at how the community colleges can do pre-CORI.
11 We understand that there will be a CORI process
12 for the Gaming Commission. The community
13 colleges regularly do a CORI process for some
14 of our programs, in particular our nursing
15 healthcare where there is an employability
16 requirement to have a CORI. So, we do a pre-
17 CORI that informs people not to rule them out
18 for coming to educational opportunities, to
19 inform them if there's a barrier in the
20 process.

21 An example of that would be in
22 nursing where we inform you that you will not
23 be able to do your nursing clinical and be
24 employed, but you can still take the training

1 if you are qualified. As an open access
2 institution, we have to follow those state
3 guidelines. But we do inform people that you
4 have a situation and it needs to be resolved.

5 We have had dialogues with UMass
6 about how we are building our data systems. We
7 will use the college's enrollment systems which
8 will allow us to have reportable data back on
9 each of these students to the Gaming
10 Commission.

11 And we've had dialogue with UMass
12 about how we can align that. So, you'll have
13 pre-enrollment, enrollment data, post-
14 enrollment job placement data that you'll have
15 as part of your research project. So, you'll
16 take it from initiation through employment to
17 be able to see what are the completion rates.
18 Long-term how are the wage gains working.

19 We'll be capturing the same type of
20 demographic data that will be aligned to their
21 system. So, again it will dovetail your
22 experience with Penn National but we'll be able
23 to do it in the pre-hire process prior to the
24 training programs.

1 CHAIRMAN CROSBY: Bob, you maybe
2 speak to this later on, but how do you have one
3 facility where you have multiple community
4 colleges? How does that work?

5 MR. LEPAGE: In each of the regions,
6 we've worked with the developer to determine
7 where they feel the location should be.

8 So, in the case of our dialogues
9 now, while these are not signed agreements but
10 I think it is safe to communicate the developer
11 in Springfield we anticipate it will be on our
12 campus or it will be right downtown.

13 We are dealing with the facility
14 issues, which the most difficult part, believe
15 it or not, is the parking issue. Because for
16 us to add three or four hundred or 1,000 cars
17 additionally in a day is a significant
18 challenge. And I can more than echo it being a
19 challenge for my colleagues.

20 CHAIRMAN CROSBY: Will Bunker Hill
21 be the facility? Is that the physical space?

22 MR. LEPAGE: That is the desire of
23 Wynn.

24 CHAIRMAN CROSBY: But will Roxbury

1 and Mass Bay and others be able to feed into
2 that and still have their students at that
3 facility?

4 MR. LEPAGE: Yes.

5 CHAIRMAN CROSBY: And the same with
6 Holyoke and Springfield Tech.?

7 MR. LEPAGE: Right. All of the
8 community colleges will be able to feed in
9 students. It is not a unusual for community
10 colleges to take courses at multiple sites now.

11 CHAIRMAN CROSBY: Okay. So, you can
12 figure out how to spread the payments out and
13 so forth?

14 MR. LEPAGE: Yes. It'll be one
15 centralized system there'll be a referral
16 system in.

17 CHAIRMAN CROSBY: Okay, great.

18 MR. LEPAGE: I'll just talk a little
19 bit about the dialogue on facilities because
20 that really goes back to timeline. I know this
21 is small print.

22 But we have worked with the
23 developers from two perspectives. One starting
24 to put together those chart of activities that

1 have to happen. Agreeing on the length of the
2 training and the intensity of the training.

3 Most of these trainings will be 20
4 hours a week of instruction. It is very
5 similar to a job environment. You get some
6 sense of the number of training hours in the
7 example of a projected enrollment in the
8 Springfield market. That does have some
9 assumptions to it relative to number of table
10 games that will be available.

11 Estimated number of days training to
12 be completed before opening is starting to get
13 a sense on the length of the training and the
14 onboarding. It's been an ongoing dialogue with
15 developers of how we're going to take and move
16 through this process to pass people off in
17 ensuring that there's enough time for the
18 hiring process to happen in line with the
19 employment process.

20 So, I'll give this example. If we
21 need to have people employed to support MGM in
22 August then we need to have them start the
23 hiring practice 60 days before that. Then we
24 have to work backwards of when they need to be

1 trained, what are the facility constraints of
2 the number of people that could be trained at a
3 time.

4 So, we had started working through
5 all those steps with each of the developers to
6 start to say when do we need to go. This will
7 be a massive scale-up. We know that a big part
8 of this process is going to be the career
9 awareness, which we believe has to start late
10 this summer and into the fall.

11 If you take the 700 jobs in MGM that
12 would be related to the training that means
13 that we're probably going to train somewhere
14 around 1000 given the attrition that will go
15 through the training.

16 We will have to prequalify 3000
17 people. That is a very significant career
18 awareness and assessment process that will have
19 to be done again electronically using Career
20 101 to get people qualified to enter the gaming
21 school. We're going to need two years for this
22 process to fold out.

23 We worked on budgeting with the
24 developers based on the number of students, the

1 process and the administration. It's about a
2 \$2 million endeavor to move this number of
3 people through.

4 CHAIRMAN CROSBY: Per developer?

5 MR. LEPAGE: Per developer.

6 COMMISSIONER ZUNIGA: Just for the
7 awareness?

8 MR. LEPAGE: No, for the entire
9 project, for the entire project. We have had
10 discussions on a funding model. I think that's
11 for future dialogue. But we realize that this
12 is going to have to be a shared funding model.

13 We are very conscious of our early
14 discussions with the Gaming Commission of
15 developing a model that ensures affordable
16 access to individuals who are in seeking these
17 jobs and a method that this isn't just solely
18 on the back of the community and the individual
19 that we have to have a shared resource to do
20 this.

21 There is a large benefit to those
22 people who get hired through this process. We
23 understand that. But affordability and access
24 is key.

1 A comparable example of 144-hour
2 training -- vocational training program is
3 roughly a \$1200 training program in most
4 community colleges. Certified nursing
5 assistants being of comparable length, or CNA
6 Plus program somewhere between \$1000-\$1800
7 depending.

8 But we know for many of the
9 individuals who are high school level who will
10 go into these jobs, \$1000-\$1200 out of their
11 pocket is a significant educational investment.
12 Again, unfortunately we can't leverage Pell
13 funding like we do for other educational areas.
14 We have this construct issue.

15 We have worked at the two community
16 colleges in Western Mass. to develop a system
17 so these students could pay over a period of
18 time. Again, we hope to be able to develop a
19 payment process or a funding model in
20 partnership with each developer that will be a
21 statewide funding model. I think that's to
22 come, but we have had a lot of discussions.

23 CHAIRMAN CROSBY: You're taking it
24 as your theoretical mandate to address the

1 entire employment need, right? So, there are
2 other sources, obviously, there are other
3 programs out there. Some of them are doing
4 similar kinds of training.

5 There are other multitude of
6 hospitality and resort and casino training and
7 so forth as well as people who already have the
8 skills and so on and so forth. But for the
9 sake of your target at least, your objective,
10 you're assuming you're going to have to do it
11 all.

12 MR. LEPAGE: We assume that for the
13 gaming schools that there will be some
14 additional gaming schools that will open in the
15 Commonwealth. It is an expensive proposition
16 to undertake.

17 We anticipate, given the commitments
18 that the developers have made to local hiring
19 and host and surrounding community hiring that
20 there will need to be a significant portion of
21 the total gaming jobs that will have to be
22 trained up.

23 So, using the example in Western
24 Mass. with 90 percent committed to a roughly

1 20-mile circumference that means 90 percent of
2 the 700 jobs are going to have to be filled by
3 local residents.

4 CHAIRMAN CROSBY: I think it's great
5 that you're doing it. As a practical matter, I
6 think we're going to need everything we've got.
7 If you go at it full board to get 100 percent,
8 maybe you get 100 percent. Chances are you
9 won't. And there'll be other people coming in
10 too. So, I'm all in favor of that. I think
11 it's great.

12 MR. LEPAGE: Our goal is that we
13 want to have this systematic for the state.
14 And it has to be part of in each region, a
15 workforce development strategy that's good for
16 everybody.

17 We really have worked hard at that.
18 We have ongoing roundtables now developed for
19 each of our sectors where those leaders come
20 together quarterly and talk about the workforce
21 challenge. We've reengineered other parts of
22 our programs, manufacturing being an example
23 where we've built new pathways to expand the
24 manufacturing labor pool. So, we're trying to

1 do it as a comprehensive workforce strategy as
2 best we can.

3 The gaming is very unique though. I
4 know you probably had the conversation many
5 more times than I have, but people knock on my
6 door or call me and say I want to be a dealer.

7 I say do you like to stand?

8 No, I don't like to stand.

9 Do you like people?

10 No.

11 How do feel about math?

12 Absolutely not.

13 CHAIRMAN CROSBY: How do you feel
14 working the night shift?

15 MR. LEPAGE: Yes, do you want to
16 work the night shift. There are many other job
17 opportunities within the resort casino, but
18 let's get you on target.

19 The Career 101 tool I should mention
20 is a very important component for the state. I
21 really give accolades to the Commonwealth to be
22 thinking about this strategically. Because
23 anybody who comes through this process will be
24 evaluated on their baseline skills not for

1 gaming but for employment in the Commonwealth
2 in all jobs.

3 So, Bob LePage does the assessment
4 in Career 101 and he scores at these levels.
5 They can look and say you are job ready for
6 these jobs in all these industry sectors.
7 That's very important of giving a statewide
8 capability.

9 So, while it's being rolled out, it
10 is very important to this scale-up in
11 particular but is a very important tool for the
12 Commonwealth.

13 COMMISSIONER CAMERON: Bob, it
14 sounds like you want people to be successful
15 not just take a course that in all probability
16 they may have trouble being successful in that
17 area.

18 MR. LEPAGE: Absolutely. We know
19 that from our programs we've run that Jeff
20 Hayden will talk about, we know that pre-
21 assessment is very important. And that
22 informing people of the environments that they
23 will work in reduces attrition in the program
24 and reduces turnover for the employer.

1 If we don't set proper expectations,
2 we are wasting their time, their money, the
3 Commonwealth's money and our capacity. So, we
4 really believe pre-assessment process is key to
5 the strategy.

6 COMMISSIONER CAMERON: Have you had
7 any conversations since say land in trust with
8 the folks from the Tribe in order to see what
9 their needs will be?

10 MR. LEPAGE: We have not, I have
11 not. I don't know if my colleagues at Bristol
12 have had any direct dialogues on timelines with
13 them. But I think given what the original
14 goals were, it would be the same or similar.
15 They're similar occupations and going to be a
16 similar process.

17 COMMISSIONER CAMERON: Thank you.

18 COMMISSIONER ZUNIGA: Bob just
19 another note on the pre-assessment. We do have
20 a role in licensing anybody or registering
21 anybody that works at the casino at varying
22 levels as you know. The key gaming employees
23 get certain investigation and background and
24 the registrants get just registered etc., etc.

1 I am curious at a later time -- At
2 least conceptually, I would imagine that some
3 level of information would be part of that. I
4 can give you a quick example. There's a number
5 of things that may not be disqualifiers for
6 example, but is something that we will look to
7 have people take care of prior to employment.

8 Having that understanding is going
9 to be, I think, critical for your assessment.

10 MR. LEPAGE: Yes. That's actually
11 later but I'll hit it now. In our next steps,
12 we believe we need to develop a consistent
13 curriculum that we can deploy that talks about
14 career awareness but also what are the steps to
15 employability that would incorporate those
16 elements at each of the levels.

17 While I am concerned about the key
18 gaming level, I am most concerned at the other
19 levels. But we do know that we do need a
20 standard curriculum that may be able to be
21 delivered in our career one-stop centers and at
22 our community-based organizations. Because we
23 know that the referral process happens in the
24 neighborhoods for all of our community

1 colleges.

2 So, we do see that as an immediate
3 next step is secure funding to develop a
4 standardized state curriculum for that so we
5 can get a train the trainer model.

6 CHAIRMAN CROSBY: Just to reinforce
7 -- Excuse me, Lloyd, go ahead.

8 COMMISSIONER MACDONALD: Yes. This
9 I think may relate to what you've just been
10 talking about. To what degree are you focusing
11 on developing a curriculum which would provide
12 skills that could be applied afterwards outside
13 of the gaming context?

14 A concern that I would have is that
15 in the programs for training new employees for
16 casinos that it might be so narrow in the
17 skills that if the market changes or if for one
18 reason or another the person is not suitable
19 for the gaming industry that this may be kind
20 of wasted time as far as their employability in
21 industries outside of gaming. Could you
22 address that?

23 MR. LEPAGE: Yes, I can address it.
24 From the beginning we've seen this as two

1 strategies, one for the gaming related
2 occupations and one for regional workforce
3 strategies for hospitality and culinary.

4 For the gaming occupations, the way
5 we've been working on the curriculum is it does
6 have some workforce readiness modules in it.
7 So, how to behave in the workplace. What are
8 workplace expectations? What are proper
9 behaviors? A strong customer service focus,
10 these are very much customer service technical
11 jobs. So, transportable skills that would
12 allow you to move into a retail environment, a
13 call center environment, a sales environment.

14 The technical skills are probably 75
15 to 80 percent of the curriculum but probably 30
16 to 40 percent of the curriculum is on job
17 preparedness and customer service reputation.
18 So, they will have significant transferability
19 to other employment opportunities.

20 The score that they'll get on the
21 assessment, they could look and say this is the
22 score three, three, three on math index, the
23 reading and locating information. And that
24 also would qualify you in these other

1 occupations where I'm going to get transferable
2 skills.

3 CHAIRMAN CROSBY: That's
4 particularly relevant because what Commissioner
5 Stebbins is always talking about, which is the
6 likelihood of the backfill need that the
7 sources will come from. Employees will come
8 from some other similar skill. And the problem
9 will be in the banking industry or the other
10 hospitality industry or whatever that's losing
11 people. So, that's a particularly important
12 point.

13 MR. LEPAGE: We're going to talk a
14 little bit about those industries, strategies
15 that we've deployed in Western Mass. on that.

16 I just wanted to again mention the
17 importance that we really need to get our
18 staffing model and our funding model resolved
19 because we're going to need to get this
20 underway relatively soon.

21 So, I'm going to work with Jeff on a
22 Western Mass. update.

23 MR. HAYDEN: So, one of the things
24 that we've been able to do, as Chairman Crosby

1 was pointing out, is to find other sources that
2 could provide dollars to do training. So,
3 we've done that in the hospitality culinary
4 area.

5 We've gotten probably about \$150,000
6 over the past year and a half to be able to do
7 that type of training. We're also in the
8 process of applying for the \$200,000, from the
9 Commonwealth for the Workforce Competitiveness
10 Trust Fund program. So, that's an additional
11 \$200,000 that we hope to hear about soon.

12 With those kinds of dollars, we've
13 been able to scale up and do training.

14 The other piece in terms of finding
15 dollars is that both colleges have a long
16 history in working with adult basic education
17 and English for speakers of other languages.
18 So, by combining our efforts together, we've
19 actually beefed that up even more.

20 We both have increased our
21 enrollment dramatically. However, we are still
22 just scratching the need for ABE and ESOL for
23 the average citizen in Springfield, Holyoke or
24 the region. We've scaled it up. We're doing

1 more. But there needs to be a focus,
2 especially for the occupations we're talking
3 about in relation to the casino resorts that
4 would transition folks who have basic
5 educational needs or language needs that would
6 transition them back into the workforce.

7 In Western Massachusetts
8 particularly, but across the Commonwealth, our
9 population growth has been limited. Boston
10 obviously sees a much different future in terms
11 of population. But in Western Mass. and the
12 Southeast that population growth is limited.

13 Therefore, where are we going to
14 workers? Well, we've got to take people who
15 are already in the region and get them the
16 tools and the skills they need to get into
17 those jobs. So, that's our focus on ABE is
18 very important there.

19 With the culinary training that
20 we've been able to do, we've created a
21 workforce readiness certification process. And
22 essentially, we offer four different modules in
23 relation to hospitality and culinary, one for
24 food preparers, one for food servers, one for

1 supervisors and then one for hospitality
2 lodging, hotel operations.

3 And through that process, we've been
4 able to offer either one of those modules or
5 all of those modules to individuals. And over
6 this year and a half period, we've served a
7 total of 228 people. We are just gearing up
8 for the next round to start, which is starting
9 in late March and going through the rest of the
10 spring. But we've done 228.

11 Of those, the majority have been
12 incumbent workers so people already in the
13 hospitality and culinary industry. We've tried
14 to get them additional workplace
15 certifications. You hear about stackable
16 credentials all of the time. So, ServSafe,
17 TIPS, OSHA 10, anything that they might need to
18 either have them advance in their career or as
19 I like to say help them get a job, get a better
20 job or do their job better.

21 So, of those 228 people, we've
22 provided over 318 certificates so those
23 stackable. So, obviously many of them have
24 gotten more than one. We've had a completion

1 rate of 90 percent. So, 90 percent of the
2 participants have completed the program. And
3 of those who have completed the program, 82
4 percent of them placed into jobs or have
5 advanced in their jobs.

6 So, we know from that exercise that
7 we've done through state dollars that we can
8 continue to serve a large number of folks who
9 need those fundamental, maybe short, but
10 fundamental skills to do hospitality and
11 culinary jobs.

12 We've also incorporated not only
13 Career Ready 101, which Bob mentioned, but
14 we've also incorporated the National Career
15 Readiness certificate. So, it's a national
16 credential that defines someone's employability
17 by certain skill levels.

18 And it defines them in the levels of
19 bronze, silver, gold and platinum. But someone
20 with those credentials can walk into an
21 employer and say this is what I've learned and
22 this is what I'm competent in.

23 We've also developed within that
24 whole package more on customer service. To

1 your point, Commissioner, about how can someone
2 transfer skills, customer service is one of
3 those that's broad-based. It doesn't matter if
4 you're in the insurance industry, in the
5 banking industry, retail, restaurant banquet,
6 that customer service really is a fundamental
7 basic skill that we're trying to do.

8 So, you see on the slide, it says
9 that we've got about \$2 million in grants that
10 we've been working on for these various
11 efforts. In addition, the next slide is --

12 MR. LEPAGE: Let me just make a
13 couple of quick comments to give you an idea on
14 the scope of change in adult basic ed. in the
15 city of Springfield. About three years ago,
16 the college had a program that served about 60
17 students annually. Now I am serving close to
18 550 students annually in adult basic ed.

19 I checked with our director
20 yesterday, I have a waiting list just city of
21 Springfield residents about 270 people. Each
22 of these people have gone through to three-hour
23 assessments to get on the list.

24 Unfortunately, the list is so long,

1 it's like going to the Starbucks downstairs and
2 having that line go around the block. People
3 don't even want to get in the line anymore.

4 These are all individuals who want
5 to get on a pathway to jobs but because of our
6 limited funding from state resources we haven't
7 been able to get them in the system to move
8 them through to employment. That is a major
9 scale-up for the two institutions.

10 We did that jointly, which is as you
11 know a little unusual to have two community
12 colleges. Holyoke Community College provides
13 the ELL expertise on my campus in Springfield.
14 So, it is a joint regional effort.

15 I also wanted to mention the
16 customer service certificates. We now have one
17 year -- Actually, they're not one year. I
18 shouldn't say that. We have 16 to 20 week
19 customer service degree oriented pathways that
20 have been put in place. They allow a student
21 to come on a fast track. In our world that is
22 16 weeks.

23 They don't run on academic calendar.
24 So, they will be starting multiple times during

1 the year. We are piloting it now. It
2 qualifies for federal financial aid, which I
3 have to be honest with you was some real
4 noodling to make that work at our institutions.

5 But we believe is that is an
6 opportunity to scale people through the system
7 with customer service credentials who will be
8 able to go into multiple industries. That's a
9 new capability in Western Mass. that both
10 institutions will have to deliver.

11 We know in our previous model when
12 we did it noncredit, we moved 60 students
13 through. We had a 80 percent completion rate,
14 75 percent were placed in jobs within 60 days.
15 So, we have a model that we think can help
16 scale using some federal financial aid. But
17 again, we can't make all programs work within
18 those models.

19 MR. HAYDEN: In our efforts over the
20 last couple of years, we've doubled our
21 capacity in this area of ABE/ESOL.
22 Unfortunately, that still means that we're only
23 scratching about 10 to 15 percent of the demand
24 that's in the Springfield/Holyoke region. So,

1 there's a large number of people who haven't
2 had access to this kind of training.

3 Why is it important to the effort
4 we're talking about in terms of workforce?
5 Because again for us to scale up the workforce,
6 those are the people that are available and
7 here in the region that potentially could fill
8 these jobs.

9 Because they are not flying in from
10 some other place, they are not going to travel
11 an hour and a half from some place in Vermont
12 or someplace in upstate New York. We really
13 need to get folks in the region engaged in
14 this.

15 So, it's a scale-up issue. It is
16 also in terms of economic development in
17 Western Massachusetts, it is the largest single
18 issue that limits economic development.
19 Companies saying whether they're manufacturer
20 whether they're hospitality, companies saying I
21 can't find the qualified people so I'm not
22 growing. I don't want to do that \$5 million
23 expansion because I can't find the people to do
24 it. That is not anecdotal. That's

1 commonplace.

2 CHAIRMAN CROSBY: Is the answer to
3 the problem of addressing only 10 to 15 percent
4 of the demand is that coming? Are you going to
5 tell us how you are going try to get to the
6 other 85 percent?

7 MR. LEPAGE: Yes.

8 MR. HAYDEN: On the hospitality and
9 culinary side, Holyoke Community College is the
10 only college certificate and degree program for
11 hospitality and culinary training in the
12 region, in all of Western Massachusetts. There
13 are some private vendors who provide it. Then
14 there are the vocational schools that provide
15 some of it.

16 So, we see it as an opportunity not
17 only to meet the need, potential need of the
18 casino developer but to meet the existing
19 needs. So, last year alone, just to give you a
20 small example, line cook, which is an entry-
21 level cooking position, there were 400
22 available slots in Western Massachusetts. I
23 shudder to think with that number is in Boston.
24 So, right now we need to train people for these

1 jobs, not waiting for MGM a year and a half
2 from now.

3 So, our effort has been to scale up
4 our capacity. So, we've announced over the
5 past couple of weeks that we are doing a \$5.2
6 million project to create a new culinary and
7 hospitality center. Commissioner Stebbins was
8 gracious enough to be at that announcement.

9 And that center will enable us to
10 double our capacity in our credit programs.
11 And it will also enable us to grow our
12 noncredit programs. Our goal for our noncredit
13 programs is to have approximately 500 students
14 a year going through the training. As I
15 mentioned before, last year and a half, we've
16 done 225 give or take.

17 And so it really is a desire to
18 increase our effort on the credit side. We
19 will be offering a new certificate just -- I'm
20 sorry, a new degree in culinary, our culinary
21 science degree. Then we continue to offer food
22 service management, hospitality management and
23 other related programs.

24 Many of you have met President

1 Messner at our college. So, you know that he
2 is about what six-seven. And he put one of
3 these chef hats on at the announcement. And it
4 just made him even more daunting in terms of
5 his height.

6 So, we are very excited about this
7 facility. I will tell you in terms of the
8 finances of it, it gets to your point
9 Commissioner about finding other sources, we've
10 got \$1.75 million from the Commonwealth. We
11 got about \$1.75 million from the federal
12 government through an EDA grant, and the
13 college is putting in \$2 million.

14 So, that kind of model I think we
15 need to expand when we talk about training.
16 There will need to be additional resources from
17 the Commonwealth, especially in terms of
18 training. As you can see, the training that
19 we've done in relation to this has been largely
20 funded by state dollars. We'll also
21 commitments from the employers and not just the
22 casinos but also the current employers in the
23 region.

24 We've got, as Bob mentioned, in each

1 sector we developed roundtables. We have about
2 30 hospitality and restaurant businesses that
3 meet on a regular meet on a regular basis with
4 us at least quarterly, oftentimes more than
5 that. And they're advising us in terms of
6 curriculum. They're advising us in terms of
7 how to place folks in jobs and the like.

8 So, that collaboration with business
9 we hope will help us place folks beyond the
10 casinos into these jobs.

11 MR. LEPAGE: I'm just going to hit
12 two quick things. I know we're running a
13 little late. You asked about what is the
14 impact or how do you fund this? We've had some
15 preliminary dialogues in each of our
16 communities about what it would take to move
17 250 people. What would it cost for me to take
18 250 people and feed them into the system and
19 what would be the benefit?

20 So, I just put together a simple
21 chart. So, I'll just run you through it from
22 top to bottom. If you look at the cost of an
23 individual, there is a study that was done a
24 few years ago by Northeastern. Somebody who

1 doesn't have a high school education there is a
2 cost to the Commonwealth and others of about
3 \$2600 in benefits that they're provided.

4 Once they're educated there's a
5 \$7000 swing in tax and benefits. So, as you
6 start to multiply that there is a very
7 significant immediate return on investment of
8 moving these people from unemployed to
9 employed. And that's where the benefit of the
10 net job gains.

11 It's focusing on getting those
12 people into the labor pool, not cannibalizing
13 labor pool, and it is on the bottom end. The
14 part that's most important is that dollars
15 invested here have an immediate return. The
16 model that we are developing that is an
17 accelerated program, focused on those who are
18 closest to achievement, at least in Western
19 Mass. currently, you must have a high school
20 education to be employed at MGM. That is their
21 corporate practice.

22 That means we are going to have to
23 move people through this level. We know there
24 is a significant return on the Commonwealth.

1 We're talking about co-investment models with
2 the Commonwealth. Again, these are individuals
3 who don't have wealth.

4 If the Commonwealth, the Gaming
5 Commission, the Commonwealth, the Department of
6 Labor want to move people into jobs, it's going
7 to take an investment. But there is an
8 immediate one year return on investment. These
9 will be people paying taxes. We have to move
10 them from the nonpaying of taxes to paying
11 taxes and having livable wages.

12 We have just quickly on the MGM
13 front, we have mapped 75 skill areas into the
14 Smart System. Those will all be tied to the
15 courses and the programs at the community
16 colleges as well into the MCCTI platform. So,
17 that people who come from Skill Smart will
18 start a referral process. That mapping has
19 happened. Once they're ready to launch, we'll
20 be adding additional mapping areas. That was
21 quite an undertaking.

22 We have started a construction and
23 trade focus. This is the areas where we
24 already have programming but we are expanding

1 our construction and trade, including
2 developing blueprint reading training classes
3 for entry-level and the development of a
4 workforce readiness certificate in
5 construction.

6 We have just started a construction
7 roundtable in Western Mass. with the larger
8 employers. We know that many of these jobs
9 will be union, but to be able to be qualified
10 in many of the unions, I would add, you have to
11 have a high school credential to get in the
12 union. And they want pre-apprentice skills.

13 So, we are developing a pre-
14 apprentice strategy. I hesitate to say pre-
15 apprentice, because it is not just limited to
16 union tracks. It will go to nonunion track
17 employers in our region.

18 So, here are our next steps. The
19 funding model for the gaming school is the top
20 of the list. Construction and trade workforce
21 roundtable, we need to get a better sense on
22 that in each of the regions, really how deep
23 that is.

24 I can't commend our friends at MGM,

1 they have been very good about sharing
2 information. And they have aggressively
3 started collaborating on that model with
4 community based organizations and the community
5 colleges. We know diversity is a major part of
6 the challenge in the construction trades as
7 well as these other areas.

8 A couple of areas we're going to be
9 looking for funding strategies, we know we need
10 a statewide curriculum and getting that
11 developed. We know in the Boston market, it's
12 really the time that we do a citywide workforce
13 needs assessment for hospitality.

14 For us to deploy all the new things
15 that we talked about today started with doing a
16 very formal needs assessment of what were the
17 shortages, what would it look like, what are
18 the pathways, what are the educational provider
19 capacities? That was really what led us to
20 getting federal funding is they could look and
21 say you're right. There's jobs.

22 The constraining factor is physical
23 space. We'll help you resolve that. We really
24 believe we have to get a strategy to do that in

1 the Boston market. The growth of the
2 hospitality industry is massive in the city but
3 there isn't any workforce plan for it.

4 We talked about the workforce
5 readiness.

6 CHAIRMAN CROSBY: Jill and
7 Commissioner Stebbins do know about the group
8 affiliated with Unite Here that's very much
9 focused on this, and has done a lot of
10 research, talking to hotels and downstream
11 hotels and have their own aspirations for
12 helping to add to the workforce but also with
13 the same funding model problems. Are you guys
14 in touch with those folks?

15 MR. LEPAGE: We've talked to them a
16 number of times in the past. In the Boston
17 market, it's clear you need a workforce
18 strategy for the Boston market. And it's
19 massive. It's beyond the scope of one provider
20 in the hospitality. It's just a massive
21 challenge. And it needs a regional strategy.

22 I know the community colleges are
23 interested at the leadership level. Dr.
24 Rubenzhal and Dr. Messner have had recent

1 discussions about ways we could develop a
2 strategy for the region to do a needs
3 assessment and get those big employers.

4 Interestingly, I know we're short on
5 time, but for us the hospitality eye-opener was
6 the situation with our local hospital, the
7 largest employer in our region who is also the
8 largest culinary provider. They have 12,500
9 employees they feed and a lot of patients each
10 day. And they are short of workers now. They
11 are the ones most concerned about this that we
12 develop a systematic approach to culinary. All
13 of their culinary workers are CORI'd. They are
14 very concerned.

15 MR. LEMAR: In the Boston area, you
16 have a situation now where lack of trained
17 employees exist and you have temp to perm.
18 agencies starting up. Like SnapChef for
19 example that has large corporate clients where
20 they deploy chefs on a daily basis and culinary
21 staff because of the lack of available
22 permanent staff.

23 MR. HAYDEN: This issue also gives
24 us the opportunity to work directly with

1 specific employers. So, with Bay State two
2 weeks ago we started a ServSafe program for Bay
3 State. We're doing that kind of training
4 regularly now with them and will continue to do
5 that. We're going to scale it up into other
6 areas as well.

7 It's those types of relationships
8 are developing. They're developing fast. And
9 we're flexible and adaptable enough where we
10 can do it fast in response to their needs.

11 COMMISSIONER ZUNIGA: I'm thinking
12 about this shared funding model and strategies
13 that you are thinking about. Can somebody tell
14 me if there's the tax that cities and towns can
15 apply on food and beverage, has that been
16 implemented in some of the host or surrounding
17 communities? Could this be a source that local
18 leaders should contemplate?

19 MR. LEPAGE: Most of those cities
20 already have adopted it and allocated those
21 resources to other areas.

22 That's one of the challenges that
23 we're going to face in this dialogue is having
24 municipalities and other people understand that

1 this is a new source of need of funds. Budgets
2 are tight. And they're going to look at those
3 resources that they've already allocated to
4 their operations of their cities. So, I did go
5 down that road with a couple of municipalities,
6 and it wasn't warmly received.

7 For the funding models, I think
8 there are multiple funding models. The jobs
9 that are gaming jobs have a different funding
10 need because they have very unique employers.
11 The regional workforce funding models are
12 different. The hospitality industry model is
13 different. The ABE model is different in its
14 funding. So, there are three or four different
15 funding models that have to be deployed.

16 But ultimately these funding models
17 are ROI based. The good news is that we have
18 many employers seeking qualified applicants. A
19 barrier in the middle is the funding model. I
20 have people who are interested in the jobs but
21 I need the funding. When we have the funding,
22 we can put them in paying jobs, sustainable
23 wages. There's just a funding gap.

24 And ultimately, this will sound

1 cold, but ultimately this is a decision by the
2 Commonwealth. We have done everything we can
3 to build an infrastructure and capacity. But
4 ultimately the Commonwealth will decide if it
5 wants that job gains because the key is the
6 funding model in the middle.

7 If there is no funding model, then
8 there will not be as large of net job gains and
9 there won't be as large of an economic ripple
10 to our community. It is a once in a generation
11 opportunity and the Commonwealth will make that
12 decision.

13 We will strongly advocate but it
14 will be a Commonwealth decision. The community
15 colleges do not have external budgets that they
16 can deploy. Our budgets are flat again this
17 year. We do not have resources that we're
18 going to be able to deploy to this.

19 CHAIRMAN CROSBY: Is there a
20 strategy for this? Is there a bucket of money
21 that is available if the Commonwealth decided
22 to use it? Have you guys put together a
23 strategy to try to --

24 MR. LEPAGE: I think there are some

1 strategies on some of the gaming dollars that
2 might be reinvested by the Commonwealth back in
3 itself. I think there's some strategies
4 relative to the gaming schools where a portion
5 of the cost of running the gaming schools would
6 be born on the success.

7 I mentioned in the past a pay for
8 success model. We believe strongly that these
9 individuals will be successful. We feel that
10 the developers who are going to directly
11 benefit, if we can move these people through to
12 their employment, quite candidly we're going to
13 save them a lot of money. It's money that they
14 should be investing in these programs.

15 The hospitality where it's a general
16 community need --

17 CHAIRMAN CROSBY: Excuse me, Bob. I
18 get that. I'm talking about a specific plan
19 that says here's how much we need. Here's
20 where it could come from. Here's the strategy
21 we need to try to make that happen, whether
22 it's two or three for the different buckets or
23 whatever.

24 We are more than happy to be

1 involved in the conversation about trying to
2 figure out how can you make these plans work,
3 but they need to be specific.

4 MR. LEPAGE: So, we have had some
5 specific discussions, but I don't think we're
6 really there yet on understanding the mechanism
7 to make that happen on a number of these
8 resources.

9 CHAIRMAN CROSBY: As you well
10 understand, it's a huge gating mechanism. The
11 distance from cup to lip on a funding strategy
12 is a big distance. So, the sooner you can
13 identify -- it doesn't have to be the only
14 alternative, but the sooner you can identify a
15 yessable proposition that various parties
16 involved can try to get people to say yes to
17 the better we can finally all put our shoulders
18 to that wheel.

19 MR. LEPAGE: I think honestly,
20 Commissioner, I think we're pretty close on a
21 couple of them. We've run into the same
22 challenge that I know you've run, which are the
23 extending dates on confirmation of starting
24 project and hiring. And that has caused people

1 to back away from the table and say well we
2 need to get this done before I'm going to
3 commit to that.

4 CHAIRMAN CROSBY: Okay. All right.
5 The sooner the better.

6 MS. GRIFFIN: Thank you. Thank you
7 all.

8 COMMISSIONER ZUNIGA: Thank you very
9 much.

10 COMMISSIONER CAMERON: Thank you.

11 COMMISSIONER MACDONALD: Thank you.

12 COMMISSIONER STEBBINS: Thank you.

13 CHAIRMAN CROSBY: And I'm pleased to
14 see things starting to crystallize in Eastern
15 Mass. too. Western Mass. has been at this but
16 it's great to have Bunker Hill involved in
17 this.

18 MR. LEMAR: Dr. Wormley and myself,
19 we're a fairly new team at Bunker Hill. I am
20 very fortunate to have him as my Dean because
21 he has some experience in this. He comes from
22 the Philadelphia area. So, we are ready to hit
23 the ground and running.

24 CHAIRMAN CROSBY: Great. And we're

1 all familiar with both the needs and the assets
2 at Roxbury, too. And they're looking for
3 functional partnerships to move people in to,
4 as well as the others, but particularly Roxbury
5 is one that's got a tremendous resource of
6 folks, but needs partnerships, needs
7 administrative support and so forth.

8 MR. LEMAR: Exactly. And we know
9 the people there personally. I have personal
10 relationships there.

11 CHAIRMAN CROSBY: Great.

12 MR. WORMLEY: We are very excited.
13 I've been there since November, hit the ground
14 running. We think we are in a prime location,
15 obviously, for the Wynn casino. It's really
16 about let's move it on. But we are in the
17 process of getting things lined up.

18 We already have a culinary degree
19 program. We already have hospitality. So,
20 it's really an issue of space. It's really an
21 issue of networking and the collaborations with
22 Roxbury and the area institutions and moving
23 forward. So, we are excited about that
24 opportunity. Thank you.

1 CHAIRMAN CROSBY: Thank you. Nice
2 to see you.

3 MR. BEDROSIAN: Mr. Chairman, if I
4 could just interrupt and just put it on your
5 mind the issue of scheduling for the rest of
6 the meeting.

7 We have this presentation. Then
8 Director Vander Linden has an outside guest on
9 agenda item 5. It may be, and I obviously
10 leave this to the Commission's discretion, that
11 we want to do this presentation, Director
12 Vander Linden's presentation. And maybe take a
13 break.

14 And then we can address our internal
15 business after lunch if we get to that point.
16 Again, I put that on your radar.

17 CHAIRMAN CROSBY: Okay. All right,
18 Director Griffin, you've got another one for
19 us.

20 MS. GRIFFIN: Yes. And I actually
21 have a group of vendors following this.

22 MR. BEDROSIAN: Yes.

23 MS. GRIFFIN: I have here guests
24 from Bristol Community College for a brief

1 presentation and update on a new degree program
2 that will benefit the casino industry.

3 To my right, I have Director John
4 Caressimo who is director of the Culinary Arts,
5 Tourism, Casino and Hospitality, the CATCH
6 Institute. To his right I have William
7 Berardi, Dean of Business and Information
8 Management. Paul Vigeant, Acting VP of
9 Workforce Development is here. And Anthony
10 Ucci, Associates Academic Vice President is
11 also here. So, I'm going to turn this over to
12 Director Caressimo.

13 MR. CARESSIMO: Good morning, Mr.
14 Chairman. I guess the Chairman has left the
15 room.

16 COMMISSIONER ZUNIGA: He will be
17 right back.

18 MR. CARESSIMO: -- and Gaming
19 Commission members. As Jill indicated, my name
20 is John Caressimo. I'm the Director of the
21 CATCH Institute. And I'd like to thank the
22 Commission and Director Lacey for inviting us
23 here to do this presentation.

24 We will be brief. The CATCH

1 Institute was conceived by Bristol Community
2 College President Dr. John Sbrega to house the
3 hospitality programs at the college to allow
4 for more cohesion among the programs and to
5 achieve greater efficiency and economy.

6 The impetus obviously for doing this
7 was the approval by the State Legislature of
8 the Commonwealth providing three destination
9 casinos and a slots parlor. The emblem that
10 you see up there was designed in-house by our
11 communications department. CATCH, as Jill
12 indicated, stands for culinary arts, tourism,
13 casino and hospitality. To achieve this, the
14 existing culinary arts program was moved to
15 division three, which is Dean Berardi's
16 division. And the following organization was
17 created.

18 The institute staff under the
19 direction of Dean William Berardi includes
20 myself, a coordinator for hospitality and
21 tourism and one for the casino program. Also,
22 the college continued its commitment to the
23 program by hiring a full-time instructor to
24 teach in the hospitality courses and also to be

1 an advisor to the CATCH students in the
2 hospitality program.

3 Additionally, the institute will
4 employ adjunct instructors who are specialists
5 in their area in the various different gaming
6 courses. The CATCH Institute was created to
7 include the culinary arts, tourism, casino and
8 hospitality programs. The culinary arts
9 program has existed at Bristol for the past 30
10 years. And tourism, casino and hospitality
11 have existed in various formats for the past
12 eight years.

13 The culinary program was maintained
14 and used as a model for the CATCH Institute.
15 By that I mean the CATCH Institute students
16 would be moved through their program in a
17 cohort model so that they would be able to
18 project out their schedules, when they would be
19 taking classes and how long they would be
20 involved in the program.

21 I did this in order to allow them to
22 especially work the program within their work
23 schedules if students wanted to continue
24 working while they were taking the program.

1 The other programs were all retired
2 and archived and a new degree was proposed to
3 accommodate them. The associate of applied
4 science in hospitality management with
5 concentrations in tourism management, food
6 service management, hotel management and casino
7 management was proposed.

8 As you can see, Bristol took the
9 degree approach to addressing the need for
10 these workers. The degree was worked on for
11 the past year and a half and included a mix of
12 courses which have existed at the college in
13 various programs and new ones were created to
14 accomplish the aims of the degree.

15 The degree was subjected to the
16 vetting process of the division curriculum
17 committee and also the college wide curriculum
18 committee. Along each step of the way various
19 suggestions were made and included within the
20 proposal.

21 Finally, with the approvals in place
22 the degree was submitted to the Board of Higher
23 Ed. for its review and approval. Again,
24 through a thorough vetting process the degree

1 was approved. After appearing before the Board
2 of Higher Education Academics subcommittee and
3 finally the Board of Higher Education on
4 December 8, 2015, the Board granted its
5 approval.

6 So, actually we really could not
7 begin moving on this until we had the official
8 approval of the Board of Higher Ed. It's
9 difficult to advertise a program when you don't
10 have the official approval of the approving
11 body.

12 The associate of applied science in
13 hospitality management is an academic career
14 program. And I really want to stress the
15 academicness of it. Within each of the courses
16 including the practical course there are a lot
17 of academic components to make it worthy of the
18 associate of applied science degree.

19 The goal of the program is to both
20 educate the students and train them to become
21 both educated and trained workers in the
22 hospitality industry. The reason we began the
23 degree so far out was the typical student takes
24 two and a half to three years to complete just

1 about any degree program at Bristol Community
2 College. And I'm sure the numbers hold for the
3 community colleges across the Commonwealth.

4 So, our thought was when we began
5 this process that if students were to begin
6 their degree program, they would be ready
7 pretty much when the ribbons were being cut in
8 the various hotels.

9 As you are well aware, we still do
10 not have a licensee in Region C. So, before we
11 can begin working with anyone we have to have
12 somebody specifically named in our area to work
13 with.

14 The academic component is addressed
15 by inclusion of pure academic courses including
16 courses such as English, history, science and
17 others. These courses are taken mainly in the
18 first and second semesters before the student
19 decides on his or her major course of study.

20 To assist the student in deciding on
21 a major, the student also takes introductory
22 courses in casino operations, tourism and
23 hospitality food service. Most of the students
24 are leaning towards some such major when they

1 come into the program, but of course many of
2 them are not. They just know they're
3 interested in the hospitality program. And as
4 long as they're interested within the four
5 areas that we're offering, then they are good
6 for the program.

7 As this is the Gaming Commission,
8 obviously, not the hospitality commission, I
9 would like to focus on the gaming courses. As
10 you can see there are four academic gaming
11 courses, hospitality 140 introduction to casino
12 operations which all hospitality students take.
13 And all of the rest of the courses are
14 mandatory courses for casino majors.

15 The courses include hospitality 140,
16 which is an introduction to casino operations.
17 And this talks about a history of the gaming
18 industry, basics of casino management, and
19 gaming psychology and ethics.

20 There's hospitality 141, casino loss
21 prevention. This course is designed to provide
22 students with a working knowledge of how
23 multiple disciplines, casino departments and
24 government agencies ensure the protection of

1 the casino customer and the casino's assets.

2 Hospitality 142, gaming and social
3 policy provides students the knowledge of the
4 effects of gaming on a community.

5 And hospitality 150, the
6 introduction to casino games will introduce the
7 student to the various different casino games
8 that will be offered within the program. The
9 previous three courses are each three credits
10 which are 45 hours apiece and the introduction
11 to casino games is a two-credit course for 30
12 hours.

13 Finally, in the fourth semester, the
14 student will have the opportunity to select two
15 of the four dealing games. We will offer
16 dealing games in poker, blackjack, roulette or
17 craps. These courses will be offered in the
18 newly created casino lab which is being built
19 at the newly created Bristol Community College
20 Taunton Center in the Galleria Mall.

21 The lab will contain regulation
22 craps and roulette table, four blackjack tables
23 and two poker tables. These will be staffed by
24 qualified individuals as the need arises for

1 the various different games.

2 The gaming courses are a combination
3 of academic work and of course practical work.
4 The intent of these courses is to provide the
5 student with a sufficient background and skill
6 level to obtain a job as a dealer in a casino.
7 The courses each coupled with the 45-hour
8 hospitality 140 introduction to casinos and 30-
9 hour hospitality 150 introduction to casino
10 games will provide the student with between 171
11 and 235 hours of education and training for
12 each of the games.

13 The poker, blackjack and roulette
14 courses are currently planned to be offered on
15 four consecutive days a week for six weeks and
16 four days a week for six weeks and eight hours
17 a day for two weeks for craps. What I've had
18 to do obviously is attempt to keep that within
19 a regulation semester in the college.

20 The current plan is to use the lab
21 whenever credit courses are not being offered
22 to offer noncredit training and recreational
23 dealing courses.

24 In order to promote the program, the

1 college is planning a major promotional
2 campaign including the following. Our
3 communications department is putting the
4 finishing touches on a view piece, which
5 include information about all the programs and
6 the courses in the CATCH Institute.

7 The view piece will include a page
8 to explain the CATCH Institute -- There's a
9 good shot of the Braga Bridge there. -- and
10 also discuss the hospitality programs and its
11 options. That obviously was a purchased slide
12 not the slide that we're building.

13 In addition to the view piece, the
14 following will be utilized. We'll be using
15 Pandora and Twitter which all employ Instagrams
16 to cell phones and spots on Pandora users.
17 Additionally, we will run approximately 512
18 commercials on various Comcast TV programs.
19 These will take place over a six- to eight-week
20 period beginning mid-March through April.

21 Obviously, our needs are a little
22 bit more intense. We need to have people in
23 the seats for the September semester if they're
24 going to follow this through on a four- to

1 five-semester plan. Also, they're creating a
2 poster with tear-offs to go to all of the area
3 high schools.

4 This effort by Bristol and its
5 investment so far in this initiative shows that
6 the college is committed to the success of this
7 program and is determined to be a leader in the
8 region of hospitality education.

9 We are also in the process of
10 putting together the finishing touches actually
11 by completing the syllabi, the application to
12 be a gaming school which will be coming to the
13 Commission my hopes are by the end of next
14 month. So, that the Commission will have the
15 opportunity to vet our license application.

16 Just to answer one question that you
17 posed previously, we have been in touch with
18 the Mashpees. We had a general meeting at the
19 college a year ago. We had a general meeting
20 at the college with the Tribe about a year ago.
21 And we discussed the various opportunities and
22 things that Bristol Community College would be
23 able to offer.

24 Of course, I'm sure you realize that

1 the placement of the new casino lab is at the
2 Galleria Mall, which is directly across the
3 street from the land in trust that the Mashpees
4 hold.

5 And I'd like to let Paul take a few
6 minutes -- Paul, I was told briefly. -- about
7 what's happening with regard to the noncredit
8 with the Mashpees at the moment, Paul

9 MR. VIGEANT: Sure. What we did in
10 follow up to meetings last spring is we
11 collaborated with Community College of Cape Cod
12 and the Mashpee Wampanoag Tribal Nation at
13 their Mashpee government center.

14 First of all, we did a needs survey
15 for them. As you recall, in their staffing
16 plan for the casino they want to give priority
17 to tribal members and then Native Americans in
18 general at the first whack. So, we've been
19 working with the Tribe now in Mashpee not so
20 much on the gaming stuff but on what you might
21 call nation building, kind of that a bad pun in
22 this case.

23 But their growth of government has
24 been quite substantial. A year ago, they had

1 fewer than 50 people, they're about 125 right
2 now. So, recently we secured some funding from
3 the workforce training fund to do some
4 upgrading and business work right at the tribal
5 nation that focuses on customer service,
6 dealing with the public, office and management
7 skills, communication and leadership
8 development.

9 Beyond that beyond the specific work
10 with the Wampanoags though in working with the
11 CATCH team, the Workforce Institute which is
12 within my group, the noncredit group has been
13 offering hospitality training and customer
14 service training now for several years.

15 Like our colleagues in Holyoke and
16 in Springfield, we have been delivering stuff
17 that is on site. The last thought would be
18 that we collaborated to do TIPS training for
19 the Plainridge project.

20 COMMISSIONER MACDONALD: Can I
21 follow up on that. Director Caressimo you were
22 describing the college's program as a degree
23 focused program. In the earlier presentation,
24 the focus was on a vocational, if I understand

1 it right, a vocational level attention
2 certificate. Is that what you're describing?
3 I'm not sure if I've got your name right.

4 MR. VIGEANT: Paul Vigeant.

5 COMMISSIONER MACDONALD: Mr.
6 Vigeant.

7 MR. VIGEANT: So, my division deals
8 with the noncredit academic offerings. So,
9 that as the director was mentioning earlier, to
10 the extent an individual doesn't want to get
11 into the full associate degree track, then
12 we'll have a pathway through the noncredit
13 division that will enable them to take and
14 focus for, specifically on areas of gaming in
15 which they want to concentrate.

16 So, we offer adult basic education.
17 We offer English as a second language as
18 support curricula to the technical training.
19 And then we weave in the workforce training
20 specific to the CATCH model but without such an
21 academic focus in terms of they don't need to
22 take the history. They don't need to take the
23 math. They will not get an associate degree.

24 However, they will earn the

1 credentials, the SafeServ credentials, the OSHA
2 credentials and any other industry recognized
3 gaming credentials that are embedded into the
4 CATCH Institute.

5 Ultimately, we want to use our stuff
6 as a feeder program to their stuff on the
7 longer-range. So, we will have both ends of
8 that spectrum. Those students who are
9 interested in associate degree will enroll in
10 the full CATCH program. Those students who are
11 less inclined to do the full degree program
12 initially will have the opportunity for
13 noncredit and ultimately credit based work but
14 in a contracted model.

15 COMMISSIONER MACDONALD: Is that
16 done under the auspices of BCC?

17 MR. VIGEANT: Yes. I work as a vice
18 president for Bristol Community College as
19 well.

20 CHAIRMAN CROSBY: Just to finish up
21 on Commissioner Lloyd Cameron -- whatever his
22 name is, Commissioner Macdonald.

23 COMMISSIONER MACDONALD: I'm the new
24 guy here. Very few people know me yet.

1 CHAIRMAN CROSBY: So, you will be
2 offering certificates or certificate like
3 programs pretty much the whole same spectrum as
4 Holyoke and Springfield are?

5 MR. VIGEANT: Right. We try to work
6 collaboratively with the other six community
7 colleges closest to the points of contact, so
8 Holyoke and Springfield, Bunker Hill and North
9 Shore, then in our case Massasoit.

10 MR. CARESSIMO: And also just to
11 follow up on that in the works there is a
12 certificate for slot technician repair and a
13 certificate for surveillance. Those are
14 obviously on hold until we get this thing going
15 because they also take a much shorter span of
16 time.

17 CHAIRMAN CROSBY: Did you also avail
18 yourselves of the Atlantic Cape academic?

19 MR. CARESSIMO: No, we have not.
20 And I don't believe anyone has yet, because as
21 far as I know no one has laid out the \$225,000
22 to take a peek at that curriculum.

23 CHAIRMAN CROSBY: I got the
24 impression that Holyoke and Springfield either

1 had it or --

2 MR. BERARDI: It was my
3 understanding that as soon as the three
4 regions, the casinos for the three regions was
5 established then that \$210,000 for the Atlantic
6 Cape program would be shared amongst the three
7 lead colleges. So, it would be \$70,000 per
8 college. Since Region C yet hasn't determined
9 who is going to get the license, then it's my
10 understanding that Atlantic Cape is still --

11 COMMISSIONER CAMERON: I had a
12 question. You briefly mentioned it. Was it a
13 gaming lab in the Independence Mall?

14 MR. CARESSIMO: At the Galleria
15 Mall.

16 COMMISSIONER CAMERON: I'm sorry,
17 the Galleria Mall. I know where it is. I've
18 been there. So, could you just tell me a
19 little bit more about that?

20 MR. CARESSIMO: Sure. That will be
21 the lab that we're going to use that we will
22 run the dealing courses in for blackjack,
23 poker, casino and craps.

24 When a gaming school went out of

1 business a couple of years ago, they donated
2 their equipment to BCC because at that time we
3 had a couple of gaming courses, nothing to the
4 extent that we are beginning now. So, all of
5 that equipment was bubble wrapped and put into
6 storage.

7 So, now that the program has come
8 along and we are moving into the Galleria Mall
9 at the Taunton site, they've carved out an area
10 for the gaming lab which will be part of the
11 degree program and also will be used more
12 extensively I'm assuming for noncredit training
13 also.

14 MR. VIGEANT: That will also include
15 the surveillance lab.

16 MR. CARESSIMO: The surveillance lab
17 will be adjacent to it.

18 CHAIRMAN CROSBY: Great. Any other
19 questions?

20 COMMISSIONER MACDONALD: This is
21 somewhat light-hearted, but where do you get
22 your instructors for craps and --

23 MR. CARESSIMO: Right now, we are
24 fortunate enough to have one adjunct instructor

1 who has been with Bristol Community College for
2 38 years. He was a former dealer at Foxwoods.

3 As a matter of fact, he is probably
4 watching this show right now live streaming
5 because he watches every week. So, he has been
6 our resource insofar as the gaming courses.
7 And he will be one of our instructors.

8 We have a few applications on the
9 desk. And then obviously, we'll have to
10 advertise. I've also been in connection with
11 Twin River to see if some of their people who
12 were doing their training for them would be
13 willing to work at Bristol. And I've gotten a
14 positive response from that so far.

15 Obviously, not a lot of people out
16 there competent to train dealers. So, we have
17 to search for them.

18 MR. UCCI: And I'll point out from
19 the academic side, we generally require
20 individuals to have a master's degree or a PhD
21 in their particular discipline. There tends
22 not to be people with master's degrees in
23 casino gaming. So, that's a challenge.

24 But we also have a number of

1 primarily vocational areas or vocational
2 disciplines where we use alternate training
3 experience or some other type of qualification
4 as an alternative to the degree. So, we do
5 have a system in place for dealing with
6 situations like this.

7 CHAIRMAN CROSBY: Jill, I hadn't
8 thought about this before, but when we open the
9 other facilities, there will be a pretty big
10 demand for GameSense advisors. It might be
11 worth talking with Mark and Marlene as well as
12 the community colleges about whether a
13 responsible gaming certificate -- We've got all
14 of these other certificates, but in responsible
15 gaming, a short concise training program of
16 that same kind of dimension that was training
17 people to be GameSense advisors.

18 We're going to be hiring dozens of
19 them at a minimum. And it would be great from
20 our standpoint or from the Council on Problem
21 Gambling standpoint if they had a pool of
22 people who had been trained in that kind of
23 work. They'll probably be other applications
24 for it as well.

1 MS. GRIFFIN: I will follow up with
2 Director Vander Linden, thank you.

3 CHAIRMAN CROSBY: Great.

4 COMMISSIONER STEBBINS: One final
5 question, we've got to get Paul a BCC tie.

6 MR. CARESSIMO: I was going to bring
7 ties and scarves, but I was told there was a
8 prohibition against gifts.

9 COMMISSIONER STEBBINS: We can't
10 have one but Paul needs one.

11 COMMISSIONER CAMERON: Nice ties.

12 MS. GRIFFIN: I'd like to thank our
13 guests from Bristol Community College.

14 CHAIRMAN CROSBY: Thank you very
15 much. Very exciting.

16 MS. GRIFFIN: In addition to
17 thanking them, I'd like to call up our next
18 guests.

19 CHAIRMAN CROSBY: Jill, before you
20 finish that -- before you move to that having
21 the updates like this is really helpful. It's
22 interesting and positive for one thing, but it
23 also helps us see -- reassures me at least that
24 some of these benchmarks are actually being

1 made.

2 I am thrilled to see the progress
3 that's happening. I think it would help
4 everybody including them if they know that
5 every 90 days or whatever, a report is in
6 order. So, keep this up. This is really
7 great.

8 CHAIRMAN CROSBY: Before we go next,
9 we'll take a five-minute break.

10

11 (A recess was taken)

12

13 CHAIRMAN CROSBY: We are reconvening
14 meeting 180. And we are back to Director
15 Griffin.

16 MS. GRIFFIN: Good afternoon,
17 Commissioners. In order to better illustrate
18 the early economic development success of the
19 gaming industry in Massachusetts, I have
20 invited several companies to highlight examples
21 of the vendor relationships with Plainridge
22 Park Casino and let them tell you in their own
23 words the impact of expanded gaming in the
24 Commonwealth.

1 Additionally, following their
2 remarks, I'll introduce them in a second,
3 following their remarks Corean Reynolds from
4 the Office of Workforce, Supplier and Diversity
5 Development and Director Paul Connelly from our
6 Licensing Division will present highlights from
7 a survey of Massachusetts vendors of Plainridge
8 Park Casino.

9 First for a little context, as of
10 February 15 Plainridge Park Casino contracted
11 with a total of 434 vendors, spending a total
12 of \$19.4 million with an additional \$7.67
13 million in intercompany transfers to national.

14 CHAIRMAN CROSBY: What does that
15 mean? Is that money that's spent here or not?

16 MS. GRIFFIN: No, that's money
17 that's spent with national. So, I just had to
18 exclude that. I was advised by our CFO I
19 should include that.

20 Of that, 210 of those vendors were
21 Massachusetts vendors with a spend totaling
22 about \$12.5 million. 4.6 percent of Plainridge
23 Park contracts went to minority, woman and
24 veteran business enterprise totaling about

1 \$850,000. I've invited a few vendors here
2 today just as examples.

3 Sitting to my right is Gary Gomes
4 who is the owner of Logistico, LLC. Logistico
5 is a minority business enterprise located in
6 Webster that specializes in third-party
7 procurement. They locate hard to find items
8 that Plainridge Park Casino is unable to
9 source.

10 Before I turn it over, I should
11 acknowledge that Eli Huard from Plainridge Park
12 Casino is here as well. He is the Director of
13 Purchasing. So, Gary.

14 MR. GOMES: Good morning, thank you
15 for having us. My name is Gary Gomes. I'm the
16 owner of Logistico, LLC. We are a small
17 disadvantaged minority-owned business located
18 central Mass. in Webster, Massachusetts where
19 we have a warehouse where we perform our
20 service. We're a logistics company like the
21 name suggests.

22 We're seven years old. We are
23 located again in Webster, which is a high
24 unemployment district. It's designated by the

1 federal government as a HUB zone area and we
2 are a HUB-zone certified company.

3 90 percent of our business or the
4 majority of our business is with the federal
5 government. So, we do a lot of projects with
6 the federal government. When they have a large
7 project that needs a long list of equipment
8 from various vendors that they need to get
9 overseas somewhere, they will come to us.

10 They'll give us a list of equipment.
11 We'll go procure all of the equipment. We'll
12 bring it into our warehouse. We'll store it
13 until the last piece gets there. We'll pack it
14 all up. And we'll get it delivered overseas to
15 wherever it needs to go by the certain
16 timeframe it needs to get there.

17 So for example, currently, we do a
18 lot with the government on the war on drugs.
19 We are supplying them with a lot of drug
20 testing lab equipment. A lot of that is going
21 over to West Africa, the West African nations
22 where they are taking all of this equipment and
23 setting up the drug testing labs.

24 We also supplied them with patrol

1 boats for interdiction of the drugs and
2 communication towers and radios, equipment that
3 helps them fight the war on drugs.

4 We're also currently supplying the
5 Afghan customs department. It's for the DCA
6 through the State Department actually with a
7 drug testing lab at the Kabul airport. We're
8 actually shipping that today. It's about \$1.2
9 million of drug testing equipment to test for
10 drugs at the airport.

11 Also the chemicals for these labs,
12 also canine training for drug sniffing dogs.
13 We provide the equipment. We've got six
14 projects going on in Kazakhstan, Uzbekistan,
15 Tajikistan to ship equipment over there to
16 train their drug officers on canine training
17 dogs.

18 Currently, we're working on a
19 project with US Aid to provide protective suits
20 for Nigeria for the avian flu, for the bird
21 flu. They're looking for I think it's 5000
22 protective suits and aprons and goggles and
23 75,000 pairs of gloves, things like that.
24 Those are the types of projects that we

1 typically work on. We did a lot to support the
2 troops during the war effort also.

3 What we do for Plainridge is when
4 they are looking for some equipment that may be
5 hard to find, they'll come to us. They'll ask
6 us to do the homework, go find different
7 sources for the equipment within the timeframe
8 that they may need it. We'll do all the work
9 to go out and find out where we can get
10 whatever they are looking for. I'll present
11 them with options and then hopefully they'll
12 end up buying it from us.

13 Like one example of that is they
14 came to us. They needed a specific size and
15 type of souvenir display case for Flutie's
16 restaurant. So, it had to be a specific size,
17 specific height, specific type. So, we went
18 out -- And they wanted it for specific
19 timeframe also.

20 So, we had to go out. We did all
21 the homework to try and find out where we could
22 get a specific type of display case and who had
23 it in stock. We gave them different options.
24 They ordered one from us. We ordered it. We

1 tracked the delivery. We made sure that it got
2 there on time so they could have it by it might
3 have been the opening or something like that.
4 So, that's what we do with Plainridge.

5 The impact that it's had for us is
6 working with the federal government is very
7 project oriented. It's kind of up and down
8 depending on what projects you have.

9 Working with Plainridge has been
10 able to stabilize our workforce a little bit
11 more than we normally are. And it's been able
12 for me as an owner to increase the number of
13 hours that I can give to my workers which is
14 important based on where we are located in a
15 high unemployment area. So, we've been able to
16 increase the hours to our workers.

17 And more importantly for my
18 business, I have a need to diversify from the
19 federal government because it is so project
20 oriented. After the war effort, we had a
21 couple of tough years. But now we are back on
22 our feet and helping the government fight the
23 war on drugs. But it's important for me to
24 diversify so I don't have those ups and downs.

1 And working with Plainridge allows
2 us not only to diversify with them and that
3 specific property but they're in the process of
4 introducing us to all the other PNG properties.
5 And every property could use the service that
6 we provide. They've told us that. And we
7 believe that.

8 So, it's not only working with
9 Plainridge, it's working with the other PNG
10 properties. And then as the other casinos come
11 on board, I really believe that they could use
12 the service also.

13 So, we could work with them and then
14 we could get introduced to their sister
15 properties and so on and so on. So, it's
16 really about diversifying our business, keeping
17 people busy and hopefully growing the business.

18 CHAIRMAN CROSBY: Great. How do you
19 characterize the work you're in? I know it's
20 logistics but it sounds a little more nuanced
21 than that.

22 MR. GOMES: It's more procurement.
23 We call it procurement and kitting. We do a
24 lot of kitting projects also for the

1 government. We've done rope and rescue kits
2 for the National Guard. We do personal
3 protection equipment kits for the U.S. Army
4 with helmets, ballistic vests, tactical gloves
5 and goggles.

6 We did about 30,000 custom antenna
7 mast kits for the U.S. Army, which is a kit
8 about the size of this table with all custom
9 manufactured pieces in there. And you put
10 these aluminum poles together. And it goes up
11 about 30 feet with guide wires down to hold it
12 in place. And at the top they put a little RF
13 dish, a minicomputer and an antenna.

14 And those 30,000 kits during the
15 war, they went out with the troops and where
16 there was no way to communicate back to the
17 base, they would set these up every couple of
18 miles or five miles depending on the terrain so
19 they could communicate back.

20 So, it's more procurement and
21 kitting and shipping, warehouse and that type
22 of thing.

23 CHAIRMAN CROSBY: Interesting,
24 great.

1 MR. GOMES: Thank you.

2 MS. GRIFFIN: Thank you, Gary. Next
3 up we have Wendy Webber owner and Dennis
4 Reardon, Regional Sales Manager of Kittredge
5 Foodservice Equipment and Supplies. Kittredge
6 Foodservice is a certified woman business
7 enterprise foodservice equipment and supply
8 distributor located in Agawam, Massachusetts.

9 MS. WEBBER: Hi. I'm the President
10 of Kittredge Equipment Company. The business
11 was founded back in 1921 by my husband's
12 grandfather, Max Kittredge. It's been in the
13 family since then.

14 My husband worked for a different
15 family business. And then when that business
16 was sold, he decided that he liked the business
17 but he didn't want to work with his uncles.
18 So, he bought them out. Then it became a part
19 of our family business.

20 I have four children, none of them
21 are working in the business right now. They've
22 all graduated college and are working in
23 different industries. And I hope that they
24 will come back at least one, two or three. I

1 know my oldest daughter will stay in New York
2 City.

3 So, we are a full-service restaurant
4 equipment dealer dealing with restaurants as
5 well as hospitality, healthcare and the casino
6 industry. Our business kind of fluctuates with
7 what's going on. We do a lot of large
8 projects. And then we do a lot of smaller mom-
9 and-pop restaurants.

10 Again, we've seen fluctuations where
11 we haven't had many big projects going on. And
12 the casinos have really give us the advantage
13 now because we're building relationships and
14 the relationships go on to build more
15 relationships. And we are very happy to be one
16 of the suppliers to the casinos.

17 In 2011, we became a WBE. That was
18 right after my husband passed away. We employ
19 80 full-time employees. We have a store in
20 Agawam, Mass., another one in Williston,
21 Vermont right outside of Burlington. And we
22 two or three years ago bought another small
23 family-owned business in Bowe, New Hampshire.
24 So, we really service all of New England.

1 Due to not only the casino business,
2 but some other large accounts that we've
3 gotten, we just recently purchased a new
4 warehouse. We purchased new trucks and are in
5 the process of hiring new people to be able to
6 carry on and provide the services that we like
7 to provide. And Dennis will explain more of
8 our relationship with Penn Gaming.

9 MR. REARDON: Thanks Wendy. Back in
10 early 2014, myself, my sales staff started
11 researching the opportunities that we would
12 have within the casino industry.

13 We attended several meet and great
14 events throughout the Commonwealth at the DCU
15 Center, for example, where we met Penn Gaming
16 and Patrick Scargle who is the Director of
17 Purchasing. Following our initial meeting, we
18 began the process of quoting and helping
19 Plainridge to outfit their back of house
20 operations as well as all of the front of the
21 house operations.

22 As Wendy said, we are a full-service
23 dealer. So, we sell everything from heavy-duty
24 cooking equipment to the small knick-knacky

1 piece of flatware that you'll see on top of the
2 table.

3 The sales for us total approximately
4 \$430,000 in fiscal 2015. The work we did
5 locally also afforded up the opportunity to do
6 work with them on a national level. We did a
7 video presentation for Patrick that he took to
8 one of his conferences that he presented the
9 rest of his purchasing team nationally.

10 Those sales this year for us have
11 gone over the \$50,000 mark, something that we
12 probably never would have been able to attain
13 previously without the relationship that we
14 were able to build with them.

15 We also recently completed a project
16 in Springfield, Massachusetts for MGM. This
17 project was the relocation of the Springfield
18 rescue mission. It was a \$260,000 kitchen
19 project that we did. For those of you who
20 don't know, the rescue mission serves the
21 homeless population in Springfield. So, they
22 purchased the building -- I'm sure Bruce knows
23 the Orr Cadillac building that they moved over
24 and renovated for the new rescue mission.

1 We're excited about the
2 opportunities that we're given with all this
3 new business coming in. We are growing as
4 Wendy said. So, thanks for inviting us.

5 CHAIRMAN CROSBY: Great. If you are
6 comfortable saying it, what are the revenues of
7 the company?

8 MR. REARDON: This year we're about
9 \$41 million we're targeting \$50.5 million next
10 year.

11 CHAIRMAN CROSBY: Great. That's
12 terrific. Wendy keeps your feet to the fire.

13 MR. REARDON: Yes.

14 COMMISSIONER ZUNIGA: I have a
15 question for our guests. I know Corean is
16 going to get to this in a little bit.

17 MS. GRIFFIN: We have one more
18 business. Do you mind if we --

19 COMMISSIONER ZUNIGA: Yes.

20 MS. GRIFFIN: Mary Ann Campisano is
21 owner M.A.C. Graphics. M.A.C. Graphics is a
22 small certified woman business enterprise of
23 print and marketing company located in
24 Mansfield. She'll describe the work that she's

1 done for Plainridge Park Casino and her
2 specialty.

3 MS. CAMPISANO: Good afternoon
4 everybody. Thank you Commissioner Crosby and
5 the Board for having me here today.

6 I'm Mary Ann Campisano, principle of
7 M.A.C. Graphics. We're a virtual agency
8 located in Mansfield that specializes in
9 providing Massachusetts companies with high-
10 quality printing services, promotional items
11 and marketing materials. We're local. We're
12 resourceful. We have wonderful clients.

13 We're certified, as you said, as a
14 woman-owned business. And we obtained our
15 nonvendor gaming license in 2015. As a direct
16 result of that we were able to become a partner
17 to Plainridge Park Casino from pre-opening
18 until today. And that's been a terrific
19 benefit to us and to all our partners in the
20 area.

21 Some of the products we've done for
22 Plainridge Park Casino include elevator wraps,
23 wall graphics, printed invitations, boulevard
24 banners, marketing collateral. And we produced

1 a 25-foot full-color wall mural for local
2 football legend Doug Flutie's restaurant.

3 For that we had to be pretty
4 resourceful. For example, we used our local
5 connections to find out who to contact to get
6 approval for the photograph. Then we obtained
7 the necessary permissions to print it. And we
8 installed it under a tight deadlines just in
9 time for Veteran's Day.

10 It's our job to find a way to
11 produce whatever it is that our clients need.
12 Excuse my voice. Obviously, I have a cold.
13 Plainridge has been a major client of M.A.C.
14 Graphics since May. But in terms of percentage
15 of our business, it is difficult to quantify.

16 However, I can say that we saw a 100
17 percent increase getting ready for the opening
18 of Plainridge. Once things settled down, our
19 relationship continued. And I'm happy to say
20 that Plainridge remains one of our major
21 clients to this day.

22 The impact that Plainridge
23 represents is fluid. The number changes
24 monthly depending on what they have going on.

1 But companies like Sign Design in Brockton,
2 Central Print Source in Norwell, they're a
3 couple of the local vendors that have benefited
4 from my relationship with Plainridge in
5 addition to about 19 other vendors that I use
6 on a regular basis.

7 For each project I partner with the
8 printer, vendor and creative team that's the
9 best fit for my client's budget, schedule and
10 requirements.

11 At M.A.C. Graphics we love what we
12 do. We take great pride in making our clients
13 look good. And that's when we know we've done
14 our job well.

15 Thank you for the opportunity today.
16 I want to say that I have enjoyed working with
17 Plainridge and I'm looking to new adventures
18 with them on a continuing basis.

19 I also want to just say quickly that
20 I really appreciate the support that I got from
21 the Mass. Gaming Commission, especially Bill
22 Curtis, Maryann Bratton-Davies for their
23 encouragement to get my license.

24 COMMISSIONER CAMERON: I was going

1 to ask about that. Obviously a new experience
2 having to get a license to be a vendor,
3 correct?

4 MS. CAMPISANO: Yes.

5 COMMISSIONER CAMERON: And it sounds
6 like the team assisted you through the process.

7 MS. CAMPISANO: They were very, very
8 supportive. I actually hesitated to get my
9 license. I wasn't sure that I quite frankly
10 had the bandwidth at that time to spend the
11 time to go through the process. As I said,
12 Bill Curtis was very encouraging. And
13 everybody here helped me right through the
14 process. They were very professional, very
15 knowledgeable. And I would do it again.

16 COMMISSIONER ZUNIGA: That was going
17 to be my question, and I have it of the other
18 guests that we have here. We are required to
19 do an investigation and a licensing process by
20 statute and by regulation.

21 We are always looking though at how
22 to fine-tune that process, if we can. I know
23 Corean is going to get to some of the results
24 of the survey. If anybody's interested, Mr.

1 Gomes, Ms. Webber how would characterize
2 opportunities for us to fine-tune our process,
3 the decision-making that a small business owner
4 goes through in terms of do I spend time going
5 through that process because of bandwidth or
6 whatever else when you face that prospect of
7 licensure?

8 MR. GOMES: For me personally, I
9 think I started the process at the end of 2014.
10 I worked directly with Bill Curtis. He was
11 just great. He kind of handheld me at the
12 beginning when I didn't really know the answers
13 to what I was doing.

14 And whenever I had a question I
15 would give him a call or drop him an email.
16 And he'd get right back to me, call me back or
17 get back to me. For me personally, I would say
18 the process was pretty painless. It really
19 was. You have to fill out paperwork, but you
20 have to fill out paperwork for -- I'm used to
21 filling out paperwork.

22 COMMISSIONER ZUNIGA: Well, you deal
23 with the federal government.

24 MR. GOMES: Yes. Personally, I

1 worked directly with Bill. I really didn't
2 work with too many other people. Very
3 responsive, answered all of my questions. An
4 email went out, he'd get back to me that day or
5 a phone call went out and he'd get back to me
6 that day. So, for me it was very good.

7 MS. WEBBER: And for us as well.
8 The WBE certification took about nine months
9 with many, many folders. So, this isn't quite
10 a entailed but I think we're struggling with a
11 few things. I think the IRS changed a couple
12 of forms on us. So, we have to redo a couple
13 of things. But it's a long process and it's
14 worth it. And then it makes you also take a
15 look at everything that's going on in your
16 business. In a way, it's a little eye-opening.

17 COMMISSIONER CAMERON: Thank you.

18 CHAIRMAN CROSBY: Is M.A.C. Graphics
19 expecting to talk to the other casino companies
20 as well?

21 MS. CAMPISANO: M.A.C. Graphics has
22 been speaking with MGM definitely.
23 Unfortunately, because of the way I was
24 feeling, I missed the meeting up in Everett

1 last week, but yes.

2 One of the things that I really,
3 really think is important is that M.A.C.
4 Graphics is very, very small but we have what I
5 call a posse or a team of wonderful people and
6 vendors that I couldn't do my work without
7 them.

8 When I started the company, I said
9 the only way that this is going to be
10 successful is to have a level of trust with my
11 vendors, with my clients and quite frankly with
12 my contractors and my design team. It's been
13 really, really fun and exciting to grow and to
14 have the opportunity to expand our repertoire
15 and to do things that we might not have had a
16 chance to do if this hadn't come along. So,
17 it's fun. It's great. And as I said, we love
18 our work.

19 CHAIRMAN CROSBY: It's great.

20 COMMISSIONER ZUNIGA: You all three
21 are prime targets for the other licensees and
22 you've already been licensed. And they're
23 really committed to all of the promises that
24 they've made on minority and woman-owned

1 businesses. So, all you have to do is make
2 that introduction or raise your hand as I'm
3 sure you will.

4 CHAIRMAN CROSBY: And do good work.

5 COMMISSIONER ZUNIGA: Yes, and do
6 good work.

7 CHAIRMAN CROSBY: Think very much
8 for coming, we really appreciate it.

9 COMMISSIONER STEBBINS: Thanks Eli.

10 MS. GRIFFIN: I'll ask Corean
11 Reynolds and my colleague Paul Connelly to join
12 me up here. Next, I'd like to just introduce a
13 joint project that the Department of Workforce,
14 Supplier and Diversity had worked on with our
15 licensing department.

16 The goal was to get a baseline or a
17 sample of the impact of expanded gaming in
18 Massachusetts to identify potential technical
19 assistance needs of the vendors and to gain
20 insight in the licensing process from the
21 business perspective.

22 So, I'm going to turn over the mic
23 to Corean Reynolds who has an intern with the
24 Mass. Gaming Commission managed this project.

1 MS. REYNOLDS: Good afternoon. The
2 Plainridge Park Casino Massachusetts-based
3 Vendor Survey's goal was to obtain a baseline
4 measurement of the impact on local business due
5 to casino gaming, as well as identify technical
6 assistance needs of our vendors.

7 We also looked at this as an
8 opportunity for MGC to gain insight on our
9 licensing process from a vendor's perspective.
10 The survey was created with collaboration of
11 the following departments here at MGC: the
12 Workforce, Supplier and Diversity Development
13 Department, the Department of Licensing and the
14 Department of Research and Responsible Gaming
15 with some help from Commissioner Stebbins as
16 well.

17 The survey was developed based on
18 similar surveys from city and state economic
19 development institutions as well as a
20 brainstorming session here with MGC staff
21 members. The survey was refined and submitted
22 to our research consultants at UMass Amherst
23 for feedback as well.

24 Once the survey was finalized, it

1 was sent by Survey Monkey to a list of
2 Massachusetts-based businesses working as
3 vendors with Plainridge Park Casino. This list
4 was provided by Massachusetts Gaming
5 Commission's Licensing Department, and the
6 survey was distributed in early October.

7 Vendor participation in the survey
8 was voluntary and anonymous to promote open and
9 honest responses. After about a month lapsed,
10 vendors were sent a reminder to participate in
11 the survey. And participation ended in late
12 November.

13 Ninety-four Massachusetts-based
14 vendors were identified and the survey was sent
15 out to these vendors. Of the 94 vendors we
16 contacted, 28 chose to participate in providing
17 a total survey return rate of approximately 30
18 percent. This percentage being above the 25
19 percent average of emailed surveys, a statistic
20 reported by Survey Monkey.

21 Although the survey was anonymous,
22 we were able to capture some information about
23 the participants. About 32 percent of survey
24 completers identified themselves as president

1 or CEO or the owner of the participating
2 businesses. The second largest group
3 participating were roles in finance, so CFO and
4 VP of finance.

5 Of these companies, 75 percent have
6 been in business for 20 or more years with the
7 majority of these businesses being in the food
8 and beverage industry. Although the number the
9 average number of employees was about 60,
10 several businesses had fewer than 20 employees.

11 So, the first set of results I'll
12 summarize will be the feedback we obtained
13 about our vendor registration process. In the
14 vendor registration selection of this survey,
15 we were giving both multiple-choice questions
16 and open response questions. We have separated
17 this information into three takeaways
18 strengths, challenges and feedback and
19 evaluation.

20 So, some strengths reported by
21 participants highlighted our licensing staff
22 and how accessible and helpful they were, which
23 we all saw earlier. So, some of the comments
24 were the staff at MGC were all helpful and easy

1 to work with. The contact at the Mass. Gaming
2 Commission was available to help me anytime we
3 had a question and replied to emails or phone
4 calls quickly. Our strengths also included
5 finding information on the MGC website.

6 Challenges expressed by survey
7 participants focused on the fingerprinting
8 process as well as some challenges came up
9 involving understanding what outside documents
10 were needed to be provided to us during the
11 registration process, and also acquiring those
12 documents.

13 The survey participants provided us
14 with some great feedback. This feedback was
15 strongly positive and constructive and
16 described that the vendor registration process
17 was a bit lengthy but some adjectives were
18 straightforward, smooth and painless as a
19 process as a whole. Paul's going to talk more
20 on that.

21 MR. CONNELLY: Sure. I just wanted
22 to speak a little bit about what we did. The
23 survey at least from my perspective was highly
24 successful, 30 percent return rate, multiple-

1 choice and free-form answers.

2 What I found interesting just as a
3 note was more vendors answered the free-form
4 answers than they did the multiple choice. I
5 know myself when I'm taking a survey, if I
6 can't just click (A), (B) or (C) I normally
7 skip the question. But to me what that said
8 was that our vendors have been thinking a lot
9 about the process.

10 The feedback they provided was both
11 strongly positive as Corean mentioned and was
12 mentioned earlier, the strength of the team,
13 and where it was critical, it was highly
14 helpful. People didn't just blast the process
15 but rather offered specific areas like the
16 length of the process or fingerprinting or
17 third-party kind of services such as
18 certificate of good standing or the IRS forms
19 where there were challenges. The good news I
20 took from that was those were all areas we had
21 identified ourselves and have been working on
22 trying to streamline.

23 Some specific feedback and comments
24 that we got from vendors about how to improve

1 the process were one, fillable forms. As it
2 was, most of the work was done on paper. We
3 had at the same time as they were suggesting
4 this created fillable PDFs and put those
5 online. That's actually been a huge success,
6 saved a lot of time.

7 Vendor certificates, I will admit I
8 was a little bit surprised. Some folks wanted
9 kind of that certificate saying they completed
10 the process, which was nice because I think it
11 reflects how they view the process. I thought
12 people were just happy kind of getting the
13 okay. But we've implemented certificates.

14 And also didn't quite realize that
15 those have an additional benefit where folks
16 can use that. They may want something a little
17 more generic to be able to show people to say
18 hey, look I'm licensed or registered as a
19 vendor here.

20 And thirdly, the certificate of good
21 standing is one that we are working actively
22 with Department of Revenue to figure out ways
23 to both streamline that process as well as
24 increase some of the transparency on the

1 information that's returned on it.

2 So, again, part of the agency wide
3 self-evaluation and feedback process that every
4 part of the organization is going through after
5 opening Plainridge, this was a critical part of
6 that for us. It validated, in my opinion, a
7 lot of what we already knew about our
8 challenges and things we're trying to address.

9 But also, was really encouraging to
10 be honest to me although I didn't need it but
11 to the team to hear the great feedback. It's
12 oftentimes you don't have those opportunities
13 to hear about kind of the issues. You don't
14 hear about the positives. This was a great
15 opportunity in an anonymous fashion and through
16 these interviews that we just heard earlier to
17 really reinforce that we have an excellent and
18 I'm really happy with the quality of the team
19 that I get to work with every day.

20 So, we are moving forward I think.
21 We will be updating you on certificate of good
22 standing issues and things like that. That
23 will be part of a larger discussion that we
24 have in terms of the process itself as we

1 revisit the licensing regulations and moving
2 forward.

3 COMMISSIONER MACDONALD: Paul, what
4 is the issue with the fingerprinting? Is it
5 people just don't want to be fingerprinted or
6 is it the way that the process is executed?

7 MR. CONNELLY: I think anywhere you
8 have a process that requires a person to
9 appear, and it's a challenge in terms of
10 scheduling. I think there are folks to be
11 honest with you, I think there's some
12 discomfort in doing it. For most people,
13 they've never gone through the process. Even
14 though it's not for any criminal purpose, it's
15 obviously, something that can seem a little bit
16 disconcerting.

17 That being said, I think from what
18 we have heard, we obviously offer the
19 opportunity for folks to come in here and do it
20 which has worked out. Every vendor that is
21 getting fingerprinted, we send them cards, the
22 appropriate cards because that's obviously very
23 important. Fortunately, Massachusetts local
24 police departments provide that service and

1 will take those cards. Other states, it's not
2 always the case. But we are lucky here.

3 Once we've kind of gotten people
4 educated, given them the right materials,
5 things seem to work well. But I think to be
6 honest with you the biggest challenge is these
7 are all busy people.

8 It's taking the time to actually go
9 do it, which I think is probably in my
10 understanding what I've heard the biggest
11 challenge in addition to just the fundamental
12 ick factor maybe of inking your fingers. But
13 you get the benefit if you come here, there's
14 no ink.

15 COMMISSIONER STEBBINS: Paul, yes,
16 it's an issue but now that we have a physical
17 presence at Plainridge, I'm assuming all of
18 these vendors are going in and at some point
19 meeting with Eli or meeting with somebody from
20 the team that Eli or somebody at Plainridge
21 should be able to just direct them over to our
22 gaming unit and say great resource. We're
23 going to do business with you. We don't want
24 to waste our time with people lined up needing

1 to be registered.

2 Is that something that we encourage
3 Eli and the procurement team to suggest?

4 MR. CONNELLY: We have mentioned
5 that to several vendors that they can do it.
6 Some of them again are not right in the general
7 area. So, it may actually be more convenient
8 for them to go to a local police department.

9 But that is certainly an option that
10 obviously all of the employees take advantage
11 of. And it is integrated as part of the other
12 licensees. It will be the same opportunity
13 will be at Wynn and at MGM to have fingerprints
14 taken there.

15 COMMISSIONER ZUNIGA: I'm curious,
16 of the 28 participants or for that matter the
17 94, off the top of your head do you know the
18 breakdown between primaries and secondaries?

19 MR. CONNELLY: My understanding, and
20 correct me if I'm wrong, there are no
21 primaries. The vast majority were registrants.
22 I think there were a few secondary to include
23 Kittredge. And the representative from
24 Kittredge mentioned the IRS form, which is

1 obviously part of that process. I don't know.
2 Off the top of my head, I'm not sure of the
3 numbers. But I just remember anecdotally, the
4 vast majority were registrants.

5 COMMISSIONER ZUNIGA: The ones that
6 participated.

7 MR. CONNELLY: Yes.

8 COMMISSIONER ZUNIGA: They don't get
9 fingerprinted?

10 MR. CONNELLY: Registrants do.

11 COMMISSIONER ZUNIGA: Oh,
12 registrants do?

13 MR. CONNELLY: They do, yes.

14 COMMISSIONER ZUNIGA: Okay.

15 MS. REYNOLDS: Moving onto technical
16 assistance, as you can see from the chart the
17 largest technical assistance need was social
18 media and marketing. And the second was
19 finance technical assistance.

20 CHAIRMAN CROSBY: Does this mean
21 technical assistance that they would like for
22 their business?

23 MS. REYNOLDS: Exactly.

24 CHAIRMAN CROSBY: Not for the

1 application process, the licensing process.

2 MS. REYNOLDS: Sorry, I apologize.
3 I should have explained that a little bit
4 better. With this information, we're able to
5 connect these vendors with the proper technical
6 assistance partners that we have here at MGC
7 and kind of help them grow as vendors.

8 So, looking towards the future,
9 survey participants were asked a series of
10 multiple-choice and open response questions
11 again to capture a baseline economic insight on
12 vendors at Plainridge Park Casino. And at the
13 time of the survey, most survey participants
14 reported that the revenue generated from their
15 contract at Plainridge Park Casino amounted to
16 a very small percentage.

17 With that being said, some reported
18 it to be 20 percent and even 50 percent. Also
19 at the time of the survey, companies did not
20 expand their business to become vendors to the
21 casino but four businesses reported that they
22 were able to create new partnerships as a
23 direct result of their business with the
24 casino.

1 And finally to the graph, when asked
2 to forecast their company's growth in the
3 coming year, businesses are really optimistic
4 about the number of customers and their sales
5 and their profits growing in the next few
6 years.

7 So, a quick follow-up. After we
8 received all of the results from the survey, we
9 met with the Department of Licensing and kind
10 of went over the feedback we got. We met with
11 Director Vander Linden, Director of Research
12 and Responsibility and went over some feedback
13 with him.

14 And then we plan to connect our
15 vendors with those technical assistance
16 resources, review and revise the survey and
17 create a timeline for possible surveys in the
18 future. And that's it folks.

19 CHAIRMAN CROSBY: Did you do any
20 follow-up? When you sent out the Survey
21 Monkey, did you do anything to try to encourage
22 support, participation?

23 MS. REYNOLDS: We did. Around the
24 month timeline of the survey, we sent it out

1 again. Another greeting message from us saying
2 hey, if you have taken the survey, thank you so
3 much for your participation, but if you
4 haven't, we strongly encourage you to do so.
5 It's anonymous. And we would love your
6 feedback.

7 So, we did kind of solicit them
8 towards the middle of the survey.

9 CHAIRMAN CROSBY: So, you sent it
10 out once and then you had one follow-up?

11 MS. REYNOLDS: Yes. That goes again
12 with kind of reviewing and revising how we went
13 about the first baseline survey and how we can
14 do better with future surveys.

15 CHAIRMAN CROSBY: Right. Good,
16 great, anything else?

17 COMMISSIONER CAMERON: No. Good
18 results, good work. Thank you.

19 COMMISSIONER ZUNIGA: I'd just be
20 interested as you consider future activities
21 like this, perhaps to think about who we may be
22 missing. For example, vendors that may have
23 been targeted by Penn or MGM or Wynn who have
24 not been licensed, were not licensed or did not

1 want to be licensed to try to get to challenges
2 if there are any before we see them as licensed
3 vendors. That's food for thought for a future
4 activity.

5 MS. GRIFFIN: We'll circle back with
6 you and get some feedback.

7 COMMISSIONER ZUNIGA: Talk to Penn
8 and if there is such population out there or if
9 it's really just in the abstract.

10 MS. GRIFFIN: That's interesting.
11 Before we close, I'd just like to take a
12 moment. Corean Reynolds is winding down her
13 time at Mass. Gaming. Her last day is March
14 11. And I just wanted to take the time to
15 thank her for her service here. She's been a
16 wonderful help to me and to the Commission.
17 She's going onto other things.

18 MS. REYNOLDS: And I just want to
19 thank everyone for having me here. It's been a
20 great almost year here. I think I've grown.
21 And Jill was such a great mentor to have. So,
22 I'm very blessed. Thank you.

23 COMMISSIONER CAMERON: Thank you
24 very much.

1 COMMISSIONER ZUNIGA: Thank you
2 Corean.

3 COMMISSIONER STEBBINS: Thanks
4 Corean.

5 COMMISSIONER MACDONALD: Thank you
6 Corean.

7 MR. BEDROSIAN: Mr. Chairman, I
8 think we can do a very short presentation
9 Director Vander Linden has. And then I'd
10 suggest maybe taking a break after that.

11 CHAIRMAN CROSBY: We'll be ready
12 when Mark gets here.

13 MR. BEDROSIAN: I'll get him in the
14 room and we'll get going. Go ahead and get
15 started.

16 MR. VANDER LINDEN: Good afternoon.
17 I am here with Marlene Warner who you're very
18 familiar with. Marlene has been a steadfast
19 advocate in many areas that we pay very close
20 attention to, including the issues of looking
21 at gambling disorders and problem gambling.

22 March is National Problem Gambling
23 Awareness month. I think there is a number of
24 different activities that the Mass. Council

1 does that are far above and beyond the areas of
2 which the Council collaborates with the Gaming
3 Commission. I think in honor of this month. I
4 want to if you agree to have Marlene give you a
5 briefing on some of these various activities.
6 With that I'm just going to turn it over to
7 Marlene.

8 MS. WARNER: Great. I promise it
9 will be brief, because I know everyone wants to
10 get to lunch.

11 So, thank you again for the
12 opportunity to talk with you during Problem
13 Gambling Awareness month. As I think you all
14 know, it used to be a week. And it really
15 started to grow in popularity across the United
16 States and certainly here in Massachusetts.
17 So, it became a month last year.

18 We are doing a number of things.
19 And I thought what might be useful is for you
20 to hear -- you hear about GameSense all the
21 time, but to hear a little bit about what the
22 Council is doing and doing in partnership with
23 others, some of our stakeholders and
24 collaborators across our various mission areas.

1 So, with that I'll start with
2 advocacy. And I think one of the nice things
3 is always to start with some stories. So, let
4 me tell you about a gentleman whose name and
5 age and some of the details I've changed, but
6 who is actually currently in our office meeting
7 with one of our staff members.

8 Thomas age 30 from Weston spent 10
9 years in prison for drug trafficking. He
10 initially got into drug trafficking due to his
11 heroin problem. But it was prolonged due to
12 needing money for his gambling addiction. He
13 talks about a regular Monday Night Football
14 that was once fun and he used to spend the time
15 watching the games with his dad. But that he
16 got to the point where he would lose \$40,000 on
17 one game when he was not enjoying it and felt
18 very caught up in the racing behavior, the
19 connection to the gambling more than to the
20 game.

21 During prison, he was in multiple
22 MCI facilities. He did go to prison, like I
23 said, due to his drug trafficking. And he's
24 just ended his sentence at MCI Plymouth.

1 It's there he met Scott Maliso, one
2 of my staff members who's running a program
3 called Square One helping people who are in
4 prison getting out of prison with the gambling
5 disorder. He met Scott after he had heard
6 about Square One.

7 He had wrote Scott a letter, and
8 actually initially heard about this from
9 another person he had met when he was at MCI
10 Norfolk. That prisoner actually spent the time
11 after he had met Scott in Norfolk to write this
12 gentleman a letter when he was at MCI Plymouth
13 saying be on the lookout for Scott Maliso.
14 This program is right up your alley. So, while
15 we have hard time sometimes getting the message
16 out, it's getting out there.

17 Scott worked with this gentleman
18 Thomas coming through the various steps to him
19 getting out of prison. And through advocacy
20 and compassion and good capacity building,
21 Scott was really able to connect Thomas to the
22 right resources and support his gambling
23 recovery from within the prison walls to the
24 pre-release program to his efforts to secure a

1 job on the outside.

2 Only currently months out of prison,
3 he is now managing a catering program for a
4 major restaurant chain in the Boston area and
5 is really on the right path.

6 The story doesn't end there. Square
7 One is going to continue to support his
8 recovery and advocate for him. His housing
9 situation currently is not great. It's full of
10 triggers. We're trying to help him remedy
11 that. We're working with his family to make
12 sure they also have the resource and
13 understanding they need. Thomas has the will
14 and we're trying to provide him the way.

15 And I think it's a nice foundation
16 for us to think about some of the work that we
17 are really trying to focus on in Massachusetts
18 during Problem Gambling Awareness month not
19 only are there current resources available, but
20 there's a lot of gaps. And we are trying to
21 identify them and bring those to light,
22 specifically during March.

23 Also under advocacy, we are
24 certainly continuing to advocate for

1 individuals through the Legislature, through
2 meetings with public policymakers as well as
3 really specifically advocating for budget
4 resources to not just with the Public Health
5 Trust Fund that is administered out of this
6 entity, but also around the lottery dollars and
7 the unclaimed prize-winnings that goes into the
8 public health approach.

9 In terms of public awareness, a lot
10 of efforts are underway. We are seeing
11 increasing needs for multilingual resources.
12 We have some materials that are bilingual,
13 English and Spanish but certainly looking at
14 some of our other needs in terms of Portuguese
15 and Asian resources and trying to get employees
16 that can really outreach to those different
17 populations.

18 As you all know, we work very
19 closely with your licensees and the state
20 lottery. And we're trying to secure some
21 additional connections with vendors. So,
22 through the Mass. Partnership on Responsible
23 Gambling that group is underway with a public
24 media campaign where they're going to talk a

1 little bit about the facts of responsible
2 gambling in Massachusetts in a weekly slide,
3 for lack of a better term.

4 Basically, it's going to have one
5 singular focus in terms of a statistic and
6 going to be connected to a picture that
7 represents responsible gambling and a press
8 release that will go out weekly throughout
9 March.

10 We also, which I managed to leave in
11 Mark's office, but we also worked
12 collaboratively with the Mass. State Lottery to
13 do problem gambling awareness posters. Those
14 are going up at point-of-sale, the POS, across
15 the state. So, be on the lookout for those.

16 There's a really robust social media
17 calendar. And oddly enough there's something
18 every single day that is going to go up on
19 Facebook and LinkedIn and Twitter through
20 HootSuite. Sorry, I'm so not hip on this. So,
21 someone else will be doing it.

22 But there's going to be staff
23 devoted to sharing and re-Tweeting not only
24 what's happening here in Massachusetts but also

1 what's happening elsewhere. So, we're really
2 trying to bring more information in and connect
3 people.

4 Interestingly enough, again, I think
5 I've said to this group our helpline calls,
6 they're kind of steady at this point but
7 they're much lower than they were when I
8 started at the Council 15 years ago. But the
9 way people are getting information, I know is
10 not a shocker to anyone, but it's amazing how
11 much our website hits have increased, and also
12 the connections we're making and the way people
13 are reaching out through social media
14 connections. So, these are really becoming
15 very key pieces of outreach for us.

16 A little bit about GameSense as it
17 relates to public awareness. One of the things
18 that's important is that we know that employees
19 in general have higher rates of gambling
20 disorder when they work on-site at a casino.

21 So, one of the pieces that we were
22 going to do is use the BBGS, which is a
23 screening, a three question screening tool that
24 has come out of Harvard Medical School's

1 Division on Addiction. And make sure that we
2 are administering that with some other type of
3 interesting giveaway to all of the staff at PPC
4 just to keep their awareness raised and make
5 sure they are aware of what's going on both
6 with themselves and patrons.

7 COMMISSIONER MACDONALD: Excuse me,
8 Marlene, did you say that there is a pattern of
9 greater problem gambling among casino
10 employees?

11 MS. WARNER: Yes. That's a pretty
12 well documented fact at this point in the
13 field.

14 COMMISSIONER MACDONALD: Is that
15 something that they come to the employment with
16 or is it something they develop during the
17 course of their employment?

18 MS. WARNER: That's a good question.
19 I don't know that we've completely teased that
20 out but I think that one of the things that
21 folks will talk about anecdotally anyways is
22 that if you're a dealer or you are seeing it
23 all the time, you think you're smarter than
24 everyone else. That you at the inside scoop or

1 the inside clues on how to work the machine or
2 what's special about those machines or the
3 table games certainly more so.

4 A lot of casinos will say, employees
5 are not allowed to play on-site which is often
6 true. But there's markets like ours, there's
7 easy access to other facilities. So, folks
8 will often take what they believe is that
9 knowledge and go apply it to a neighboring
10 casino.

11 MR. VANDER LINDEN: Conversely,
12 individuals are very heavy gamblers may see
13 working at a casino as a dream job.

14 MS. WARNER: That's right. Again, I
15 think I've said this to this group before, but
16 just in setting up the GameSense Center and
17 certainly the GameSense advisors have heard
18 this, we have had staff at the casino identify
19 as being people with gambling disorder
20 currently active in twelve-step programs and/or
21 treatment, but recognize they either like that
22 environment or they needed jobs. So, we want
23 to continue to also make sure that they are
24 that there are resources available.

1 A lot of training. We do a ton of
2 training at the Council. I'm kind of not going
3 to go into great detail because there's a very
4 extensive calendar. But we run regularly an
5 eight-week training institute. So, that will
6 continue to run. And we will raise the
7 awareness of the clinicians that are at that
8 eight-week training institute.

9 We are doing in addition to that
10 training, presentations really across the
11 state. Here's a small sampling. We have ones
12 in Amherst, Andover, Boston, Canton, Chelsea,
13 Duxbury, Fall River, Ipswich, Milford, New
14 Bedford, North Hampton, Plymouth, Somerville,
15 Springfield, Tewksbury, Wilbraham and
16 Worcester.

17 So, the staff is out and about
18 really trying to get the message out there,
19 build capacity, provide technical assistance
20 and address some of the issues that we know
21 that we have in Massachusetts which is there
22 are pockets of space where it feels like there
23 is no one out there to provide help. And we
24 really want to build capacity in those areas.

1 Just some of the representative
2 organizations or companies that we're going to
3 be addressing here, the Western Mass.
4 Prevention Coalition, Office of Community
5 Corrections, the Chelsea Soldiers Home,
6 Alternative High School in Fall River,
7 Dorchester Drug Court gives you a sampling of
8 some of the folks that we'll really be talking
9 with.

10 And we think it is very important
11 that we work not in silos and that we work in
12 collaboration with our neighbors. So, we are
13 also keynoting at the Maine Conference on
14 Problem Gambling and also the Rhode Island
15 Conference on Problem Gambling. We were asked
16 to do both, which is also wonderful.

17 In addition, one of our major pieces
18 obviously is we build capacity of treatment
19 providers. And we want to make sure that the
20 right people are getting the right help. So,
21 we are working hand-in-hand with our major
22 funder which is Department of Public Health's
23 Bureau of Substance Abuse Services making sure
24 we are getting out to all of their provider

1 meetings and addressing the issues there.

2 But I think the major thing to
3 mention, and I think you all know this, is
4 Harvard Medical School Division on Addiction at
5 Cambridge Health Alliance has been fantastic at
6 putting a collaborative effort around screening
7 day.

8 So, March 8 is technically screening
9 day although we certainly encourage people that
10 can't do it on the eighth to do it throughout
11 the month. So, we are directing people to that
12 website. We are doing a number of screening
13 opportunities ourselves.

14 The lottery has invited us to come
15 in to all of their offices, the regional
16 offices and their main claim center in
17 Braintree and do screening tables there. So,
18 that is another thing that you will see
19 happening around the state.

20 And then finally recovery. I think
21 it's important for us to continue to remind
22 folks that are in recovery that they are in a
23 high-risk category. So, we are both
24 celebrating recovery and making sure people

1 know that you can get better from this
2 disorder. But also making sure that folks know
3 that if you have a drug or an alcohol disorder
4 or a mental health disorder, you're at really
5 high risk.

6 So, visiting recovery centers.
7 There are I think now eight around the state
8 that the Department of Public Health funds.
9 There are a number of recovery high schools.
10 We spend a lot of time building those
11 relationships.

12 And then doing a lot of enrollment
13 and driving people towards our recovery
14 gambling free weekend in May and really raising
15 awareness of that throughout March.

16 In addition, the basics. In
17 addition to the posters, we have these buttons.
18 I've brought each of you a button. I'm not
19 going to walk them up to you, but I hope to see
20 each of you wearing them at some point this
21 month.

22 That's it. I just wanted to kind of
23 give you a quick overview, see if you have any
24 questions about some of the work that's

1 underway or about the month specifically.

2 COMMISSIONER STEBBINS: Can you I
3 ask you a question about the narrative you were
4 giving us about Thomas? You talked about some
5 of the triggers of where he is living. Just
6 give me an idea what some of those triggers are
7 that puts him back at risk.

8 MS. WARNER: Two things. One is
9 that he has reported -- He and his dad, his dad
10 is very connected still with him, which is
11 great news, went in and were going to set up
12 his room. He opened the bureau drawer and
13 there was remnants of drug use in the drawers.
14 And then there's no set policy on gambling.
15 So, there is gambling going on, scratch
16 tickets, all that in the environment where he
17 is living now. This is state housing that he's
18 in.

19 So, it just proves the point that he
20 is out of prison and he's got housing, which is
21 more than a lot of folks can say. So, he's on
22 a good path but there's still so much that
23 needs to be done that could connect him back to
24 drug trafficking and gambling or both.

1 CHAIRMAN CROSBY: Anybody else?

2 COMMISSIONER CAMERON: Marlene, I
3 always enjoy when you come. It's always
4 educational. And I just want to thank you for
5 the passion and the good work. I know you have
6 a great working relationship with Mark. Every
7 time I meet with Mark there's always something
8 that comes up about the Council or you in
9 particular. So, I just take the opportunity to
10 thank you.

11 MS. WARNER: Thank you. I appreciate
12 it.

13 CHAIRMAN CROSBY: Agreed. Thanks
14 folks. It's just a couple minutes before one.
15 We'll take a half hour break and come back and
16 pick up legal division item number 6 at 1:30.

17
18 (A recess was taken)

19
20 CHAIRMAN CROSBY: We are going to
21 reconvene public meeting number 180. We agree
22 that we are going to skip to item number 9(b)
23 on the agenda, Deputy Director Lillios.

24 MS. LILLIOS: Good afternoon,

1 Commissioners. We are here before you today
2 with some emergency amendments to the licensing
3 regulations. We were here in December with
4 some emergency amendments and we have fine-
5 tuned them. And you have several provisions
6 before you. We can start with the amendments
7 to 205 CMR 134.12, the temporary licensing
8 regulations.

9 And that section is divided into two
10 subsections. The first is for temporary
11 licensing for employees, and the second is
12 temporary licensing for vendors. And those two
13 subsections are identical except for the terms
14 for temporary licenses differ between employees
15 and vendors.

16 So, the subsection (a) in each of
17 them is required by statute. And that is that
18 the gaming licensee or the casino has to
19 petition us for a temporary license. And they
20 can do that if the applicant for the license
21 has filed completed forms. That's also
22 required by statute.

23 And if the casino certifies and we
24 find that the issuance is necessary for the

1 operation of the gaming establishment and is
2 not going to circumvent the normal licensing
3 procedures. That's required by statute.

4 The portion that we have worked to
5 fine-tune is the subsection (b). We have done
6 that to create a presumption that the temporary
7 license is going to issue. Another aspect of
8 this fine-tuning is to emphasize the
9 preliminary nature of the temporary
10 investigation process.

11 So, this subsection (b) says that
12 the temporary license shall issue unless the
13 individual is disqualified under our regs. or
14 the preliminary review of the application shows
15 that the applicant will be unable to establish
16 suitability under our regulations.

17 And then the next subsection is the
18 term of the license, which is six months with
19 one six-month extension for employees, or for
20 vendors on the following page is upon issuance
21 -- Excuse me, the temporary license is good
22 unless for some reason we were to suspend it or
23 withdraw it, but in any event no longer than
24 the initial term of a full license, which would

1 be three years. So, those are the changes on
2 the temporary license regulation.

3 COMMISSIONER ZUNIGA: I have a
4 question. Since it's a petition to the
5 Commission, the temporary license shall issue
6 unless one or two. Who makes that
7 determination, you and the IEB?

8 MS. LILLIOS: Yes. The IEB under a
9 separate delegation has the authority to make
10 determinations on temporary licensure.

11 CHAIRMAN CROSBY: I should have this
12 in front of me, but 134.10(3), do you have that
13 in front of you?

14 MS. LILLIOS: I do.

15 CHAIRMAN CROSBY: Can you just read
16 through those?

17 MS. LILLIOS: So, the automatic
18 disqualifiers are felony convictions or
19 convictions for theft, embezzlement, perjury or
20 fraud. Another automatic disqualifier is an
21 application that intentionally contains false
22 or intentionally misleading information,
23 committed prior acts that have not been
24 prosecuted or led to a conviction but are a

1 pattern of misconduct that makes the individual
2 unsuitable. Or the affiliates are close
3 associates who would not qualify or pose an
4 injurious threat to the Commonwealth in issuing
5 a license.

6 CHAIRMAN CROSBY: Are those the
7 statutory automatic disqualifiers?

8 MS. LILLIOS: Yes.

9 CHAIRMAN CROSBY: So, it's nothing
10 more than the statutory automatic
11 disqualifiers.

12 MS. LILLIOS: That's right. The
13 reg. reflects the exact statutory language in
14 both of those subsections, same for subsection
15 two on the suitability factors.

16 So, moving forward to the terms of
17 the licenses on 134.16, the only change there
18 is something that you have seen before. And
19 that is we are asking for the initial term for
20 the key employee and gaming employee licenses
21 to span five years instead of three years.
22 That is because otherwise we would be doing the
23 renewals for all of the Penn employees at the
24 timing of the projected opening of MGM and

1 Wynn. So, changing the timing of those
2 employee licenses.

3 The next regulation, the following
4 two regulations talk about new qualifiers, one
5 for new qualifiers for the casinos or the
6 gaming licensees and the other for our primary
7 vendors.

8 So, 116.07 talks about new
9 qualifiers for the gaming licensees, again that
10 would be our casinos. This is a situation
11 where one of our casinos gets a new qualifier
12 say a new inside director or a new CFO, and the
13 prior regs. stated that the new individual
14 cannot perform any duties related to the new
15 position until a positive determination on
16 suitability issues. And that would hamper the
17 ability of the casinos to get their work done.

18 So, the proposed language here is
19 that the new qualifier can start working upon
20 appointment and then has to get a full license
21 application into us within 30 days of
22 appointment. That 30-day window is common
23 practice in other jurisdictions. So, can
24 continue working until qualification so long as

1 they get the full application packet in.

2 And if there's discussion with the
3 Licensing Division in advance that they need
4 additional time that would be allowable
5 generally under our regulations.

6 Then the second subsection under
7 this reg. is an instance where the parent
8 company may create a new position and it is not
9 apparent that it's a qualifying position. This
10 subsection requires the casino let us know
11 about the new position and that we have the
12 opportunity to designate or not designate that
13 the position is a qualifying position. If we
14 designate it as a qualifying position, the same
15 procedure, the 30-day window procedure follows.

16 COMMISSIONER ZUNIGA: Loretta so
17 that's section 116.07 subsection 2?

18 MS. LILLIOS: That's right.

19 COMMISSIONER ZUNIGA: Is that how we
20 are dealing with the notion that we discussed a
21 little while ago about the act of the gaming
22 establishment?

23 MS. LILLIOS: No. These are
24 qualifiers typically for the parent company.

1 At the gaming establishment, we are talking
2 about another class of individuals who would be
3 key employees. These are qualifiers for the
4 parent company, a new General Counsel, new CFO
5 of Penn National, so not our immediate
6 licensees.

7 COMMISSIONER ZUNIGA: But is it fair
8 to say that this may be a similar sort of
9 process if the licensee believes that they have
10 something that we could explore, put the onus
11 on the licensee?

12 MS. LILLIOS: Sure, to reach out to
13 us to have the conversation, is that what you
14 mean? Sure, because if they don't reach out to
15 us, we may not know in a timely way that
16 they've created the new position.

17 COMMISSIONER ZUNIGA: Okay.

18 MS. LILLIOS: And then the final
19 reg. which mirrors in large part the casino new
20 qualifier reg. is a new qualifier reg. for
21 gaming vendors primary. These are that subset
22 of companies like Konami that was before you
23 today.

24 They all are used to a process like

1 this when they have a new qualifier at the
2 corporate level. They are used to following a
3 protocol like a casino would of notification to
4 the jurisdiction, like the 14 individuals that
5 you reviewed for today, so, a similar process
6 for the primary vendors.

7 We are not requiring this process of
8 secondary vendors, the construction companies
9 and so forth. We would deal with any changes
10 in their corporate qualifiers in the regular
11 renewal -- license renewal process.

12 COMMISSIONER ZUNIGA: Was that
13 subsection 3?

14 MS. LILLIOS: The vendor new
15 qualifier is 134.04.

16 COMMISSIONER ZUNIGA: Okay. Thank
17 you.

18 CHAIRMAN CROSBY: Any questions,
19 issues, discussion?

20 MS. LILLIOS: So, the request is
21 that we adopt these by emergency reg. today but
22 also start the formal promulgation process so
23 that the two processes can move in tandem.

24 COMMISSIONER STEBBINS: Do you need

1 a vote on each section?

2 MS. LILLIOS: We need a vote on
3 each.

4 CHAIRMAN CROSBY: Individually or
5 can we do them as one?

6 MS. BLUE: You could do them as one
7 if you like. You just need to list them in
8 your motion. But if you list them separately
9 in your motion you can vote on them altogether.

10 COMMISSIONER MACDONALD: I move that
11 the Commission approve the proposed regulations
12 as they appear at 134.04(7), I guess that'd be
13 205 CMR 134.04(7), 134.12 sub (1), (2) and
14 three doesn't seem to be in parenthesis. Is
15 that a typo?

16 MS. BLUE: It might be easier to
17 take them off the agenda.

18 COMMISSIONER MACDONALD: That's what
19 Commissioner Cameron just gave me. I thought I
20 was being helpful. I propose that we --

21 CHAIRMAN CROSBY: Strike the earlier
22 start?

23 COMMISSIONER MACDONALD: Strike the
24 earlier motion, start all over again. I

1 propose that we approve the recommended changes
2 to the regulations specifically draft
3 regulation 205 CMR 134.12, draft regulation 205
4 CMR 134.16, draft regulation 205 CMR 134.04(7),
5 and draft regulation 205 CMR 116.07 on an
6 emergency basis.

7 COMMISSIONER CAMERON: Second.

8 CHAIRMAN CROSBY: Discussion? All
9 in favor, aye.

10 COMMISSIONER MACDONALD: Aye.

11 COMMISSIONER CAMERON: Aye.

12 COMMISSIONER ZUNIGA: Aye.

13 COMMISSIONER STEBBINS: Aye.

14 CHAIRMAN CROSBY: Opposed? The ayes
15 have it unanimously.

16 COMMISSIONER ZUNIGA: Do we need
17 another motion --

18 MS. BLUE: If we can also move to
19 let us take them through the final formal
20 promulgation process that would be helpful as
21 well.

22 CHAIRMAN CROSBY: You're on a role
23 Commissioner.

24 COMMISSIONER MACDONALD: So moved.

1 COMMISSIONER CAMERON: Second.

2 CHAIRMAN CROSBY: Discussion? All
3 in favor, aye.

4 COMMISSIONER MACDONALD: Aye.

5 COMMISSIONER CAMERON: Aye.

6 COMMISSIONER ZUNIGA: Aye.

7 COMMISSIONER STEBBINS: Aye.

8 CHAIRMAN CROSBY: Opposed? The ayes
9 have it unanimously.

10 MS. LILLIOS: Thank you.

11 CHAIRMAN CROSBY: All right, now we
12 are back to item (6), General Counsel Blue.

13 MS. BLUE: Commissioners as we
14 decided last year, we determined that in March
15 of each year, we would elect a secretary and a
16 treasurer for the Commission. As you have done
17 in prior years, that requires the Commission to
18 nominate one of its own to be the Secretary and
19 one of its own to be the Treasurer. And then
20 vote to have them take on that role for the
21 upcoming year.

22 So, if you could make your
23 nominations and your vote that would be
24 appreciated.

1 COMMISSIONER STEBBINS: I would move
2 to nominate Commissioner Macdonald as Secretary
3 of the Commission for the year beginning March
4 2016.

5 CHAIRMAN CROSBY: Second?

6 COMMISSIONER CAMERON: Second.

7 CHAIRMAN CROSBY: Is there
8 discussion?

9 COMMISSIONER STEBBINS: I think we
10 should have a debate, primary and a couple of
11 caucuses.

12 CHAIRMAN CROSBY: Is there anything
13 about his ears you might want to say?

14 COMMISSIONER STEBBINS: There might
15 be some lessons learned here as we're doing
16 this.

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

19 COMMISSIONER CAMERON: Aye.

20 COMMISSIONER ZUNIGA: Aye.

21 COMMISSIONER STEBBINS: Aye.

22 CHAIRMAN CROSBY: Opposed?

23 COMMISSIONER MACDONALD: Abstention.

24 CHAIRMAN CROSBY: There's one

1 abstention, I believe, but other than an
2 abstention by Commissioner Macdonald, but
3 otherwise an exuberant and unanimous vote.

4 COMMISSIONER CAMERON: Thank you.

5 COMMISSIONER MACDONALD: Thank you,
6 colleagues.

7 CHAIRMAN CROSBY: Do we have another
8 motion?

9 COMMISSIONER STEBBINS: Mr. Chair,
10 I'd move that the Commission nominate
11 Commissioner Zuniga to serve as the
12 Commission's Treasurer for year beginning in
13 March 2016.

14 COMMISSIONER CAMERON: Second.

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

17 COMMISSIONER MACDONALD: Aye.

18 COMMISSIONER CAMERON: Aye.

19 COMMISSIONER STEBBINS: Aye.

20 CHAIRMAN CROSBY: Opposed? The
21 abstention by Commissioner Zuniga, otherwise an
22 exuberant and unanimous positive vote.

23 COMMISSIONER STEBBINS: Any victory
24 speeches?

1 COMMISSIONER ZUNIGA: I will gladly
2 continue to do the work.

3 CHAIRMAN CROSBY: Thank you to my
4 family, all of those volunteers who held signs.
5 Okay.

6 MS. BLUE: The next item is
7 Ombudsman Ziemba who will discuss the process
8 and the timing on the Wynn Section 61s.

9 MR. ZIEMBA: Thank you. Mr.
10 Chairman and Commissioners, today we provide a
11 brief status of our draft and review process
12 for the so-called Section 61 Findings required
13 under the Massachusetts Environmental Policy
14 Act, MEPA, for the proposed Wynn project in
15 Everett.

16 As you're aware, on August 28, 2015,
17 the Secretary of Energy and Environmental
18 Affairs determined that Wynn's second
19 supplemental filing and environmental impact
20 report adequately and properly complied with
21 MEPA.

22 In the certificate issued by the
23 Secretary, the Secretary required enhanced
24 public review during the development of Section

1 61 Findings by both the Massachusetts
2 Department of Transportation and by the Gaming
3 Commission. Included within the mandated
4 enhanced review were the publication of draft
5 Section 61 Findings by MassDOT for public
6 review and comment and a 15-day comment period.

7 This 15th day of comment period is
8 February 25. MassDOT is also required to have
9 a public hearing on the draft findings. This
10 hearing is scheduled for next week March 10.
11 Following the hearing, the certificate states
12 that MassDOT will publish final Section 61
13 Findings no later than 40 days after the
14 initial filing. This 40th day will occur by 22
15 March.

16 The Secretary also required an
17 enhanced process by the Gaming Commission.
18 Under that the Commission shall consider and
19 revise as appropriate draft Section 61 Findings
20 included in the SSFEIR. MGC Section 61
21 Findings shall include or include by reference
22 Section 61 Findings from all other state
23 agencies including but not limited to MassDOT
24 Section 61 Findings.

1 A consultant hired by the MGC will
2 make a public presentation at an MGC meeting
3 and provide recommendations regarding
4 additional conditions that should be added to
5 the draft Section 61 Findings. MGC will
6 solicit written comments on the draft Section
7 61 Findings and will hold a public hearing.
8 The draft Section 61 Findings and the
9 consultant reports will be posted on the MGC
10 website.

11 Final Section 61 Findings will be
12 incorporated into the gaming license and will
13 be filed with the MEPA office. And then
14 compliance with the Section 61 Findings and the
15 conditions of the gaming license will be part
16 of a regular quarterly report review conducted
17 by the MGC.

18 This is a significant internal and
19 external review process that has been underway
20 internally for months. We recommend that we
21 now initiate the public review portion of the
22 review process and offer the following
23 potential dates for the items I just discussed.

24 We believe that we could have the

1 consultant preparation -- presentation at our
2 next meeting on March 17. If the Commission is
3 comfortable regarding the draft presented and
4 any additional conditions that may be offered
5 by the Commission, the Commission would then
6 ask for written comments. A public hearing
7 could be scheduled potentially for March 28.
8 This hearing would come after the scheduled
9 release of MassDOT's Final Section 61 Findings
10 scheduled for March 22.

11 It is anticipated that any
12 Commission review of Final Section 61 Findings
13 would not occur earlier than the second week of
14 April, April 11 to the 15th that week. The
15 Commission has a regularly scheduled meeting on
16 14 April.

17 Early next week, staff and
18 Commission consultants will meet to determine
19 the latest status of our review, taking into
20 account any of the comments that were submitted
21 during the MassDOT process. Assuming that we
22 are all ready, we could then issue a release or
23 blog outlining these proposed dates that I just
24 mentioned to you.

1 The proposed schedule should give us
2 time to receive and review comments. We do
3 note that the Commission is free to make
4 adjustments to such a schedule if deemed
5 necessary or circumstances warrant.

6 One further option that we have is
7 to post a pre-Commission review draft if one is
8 ready before the 17th. So, before the
9 consultants present to the Commission,
10 potentially what we could do is post a version
11 of the draft Section 61 Findings pre the
12 Commission review. The benefit of this is that
13 it could provide additional opportunity for
14 comment by the public.

15 If the Commission thinks this review
16 process to be a good one and the optional early
17 draft preview to be warranted, we could work
18 with Executive Director Bedrosian to firm up
19 the schedule and to make any postings. Again,
20 we can adapt to circumstances or any issues
21 that require further review.

22 CHAIRMAN CROSBY: Questions?

23 COMMISSIONER CAMERON: So by posting
24 early, we'd have the benefit of hearing or

1 reading comments at the time of our review?

2 MR. ZIEMBA: Perhaps. It is a short
3 window. So, I'm not sure how many comments we
4 would get in that period. So, it's an option.
5 It depends on how quickly we can get the draft
6 ready for presentation. In essence, we are
7 talking about an extra few days to do so.

8 CHAIRMAN CROSBY: And if we didn't
9 do that, on your proposed schedule the public
10 comment period would run from when to when?

11 MR. ZIEMBA: In essence, it would
12 run from the 17th it would run through the
13 public hearing on the 28th. We could receive
14 comments for at least a week after the 28th in
15 advance of the second week of April.

16 CHAIRMAN CROSBY: Right. So,
17 there's quite a bit of time in any event.

18 MR. ZIEMBA: We also benefit
19 obviously from the MassDOT Section 61 Findings
20 that are the predominant issue in these
21 findings are transportation related. There's a
22 hearing. We'll take a look at those comments
23 and we'll attend the hearing to monitor
24 comments.

1 CHAIRMAN CROSBY: Plus this has been
2 open. For the interested parties have been
3 tracking this daily, for a long, long time.

4 MR. ZIEMBA: That's correct.

5 COMMISSIONER ZUNIGA: I think if we
6 posted the draft to ours, I don't know, a
7 couple of days prior to the consultants'
8 presentation that may be of some help if
9 somebody is looking attentively to those
10 drafts, to those findings and then listens to
11 the consultants' presentation there may be the
12 ability to confirm or whatnot. But beyond that
13 small window of benefiting from the
14 presentation, I don't think that it makes sense
15 to try to publish them a lot sooner than that.

16 CHAIRMAN CROSBY: I don't think it
17 makes very much difference, frankly, one way or
18 the other. I think our tradition has been
19 pretty firm that we have things reviewed
20 preliminarily by the Commission first and then
21 invite public comment and then we have another
22 review by the Commission.

23 So, for consistency's sake -- As I
24 said I don't feel strongly one way or the

1 other. But I think that's been our pattern.
2 It's an important pattern that we not do less
3 than that. Maybe it's worth sticking to that
4 as a model.

5 COMMISSIONER MACDONALD: I think
6 that makes sense. I question whether we would
7 get much of value from public comments prior to
8 our consultants' publicly accessible
9 recommendations. And my hunch would be that
10 that's what's going to trigger substantive
11 comments was of a significant sort from the
12 public.

13 MR. BEDROSIAN: So, I guess is the
14 Commission comfortable with that proposed
15 schedule?

16 CHAIRMAN CROSBY: It looks like we
17 are.

18 COMMISSIONER ZUNIGA: I am, yes.

19 COMMISSIONER CAMERON: Yes, thank
20 you.

21 MR. ZIEMBA: Okay, thank you.

22 CHAIRMAN CROSBY: Is that it on that
23 one?

24 MR. ZIEMBA: That is.

1 MS. BLUE: On item 6(c), the Mohegan
2 Sun litigation, about a month or so ago, I
3 updated the Commission on the status of the
4 various litigation matters arising out of the
5 Commission's decision to award the Region A
6 license to Wynn.

7 At that time we discussed the
8 judge's decision dismissing Boston, Revere, the
9 IBEW and the open meeting law litigation while
10 allowing Mohegan Sun to pursue a certiorari
11 claim going forward.

12 Mohegan Sun's certiorari claim is
13 proceeding. There's a conference with the
14 judge on April 1. As part of Mohegan Sun's
15 claim, Mohegan Sun has asked the judge, and
16 this has been going on for some time, for the
17 ability to expand the record that the judge
18 will consider.

19 By expanding it, what they would
20 like to do is add documents that they believe
21 were considered by the Commission when they
22 made their decision.

23 As part of their request to expand
24 the record, the Commission's counsel and

1 Mohegan's counsel have agreed to what is known
2 as a protective order. That means any
3 documents that would be released subject to
4 that protective order would have varying levels
5 of protection in terms of who could see them.

6 So, this particular protective order
7 has three levels. One is the Mohegan attorneys
8 and their consultants and the Mohegan clients
9 can see them. One is just the attorneys and
10 the consultants. And then there's one called
11 attorneys eyes only where only the Mohegan
12 counsel can see the documents.

13 Mohegan has requested in particular
14 that the documents submitted to the Commission
15 as part of the RFA-1 and RFA-2 applications be
16 added to the record in unredacted form. The
17 Commission has already provided those documents
18 in redacted form as part of the record.

19 Under our regulation 205 CMR 103, if
20 the Commission has granted confidential
21 treatment to documents and later determines
22 that changed circumstances make it appropriate
23 for the Commission to reconsider and possibly
24 modify the grant of confidentiality, the

1 Commission must notify the owner of the
2 confidential documents, give the owner a
3 reasonable time to substantiate keeping the
4 documents confidential.

5 And then after they receive that
6 response, the Commission receives that
7 response, the Commission shall make a new
8 determination regarding the confidential
9 treatment of those records.

10 The judge has incorporated that
11 regulation into the protective orders. We
12 informed the judge that we thought we needed to
13 follow our regulations first before considering
14 Mohegan's request.

15 Wynn is aware that Mohegan has
16 requested these documents. And we at the
17 Commission and our counsel have asked Wynn and
18 Mohegan to meet to see if they can work out
19 some of these matters between themselves. They
20 have indicated that they will try to do that.

21 If they can't work out an agreement,
22 however, the Commission will need to make a
23 determination as to whether the confidential
24 treatment is still merited by the documents

1 that are in question. The documents in
2 question, the vast majority of them are
3 attachments to the RFA-2 application that Wynn
4 submitted.

5 So, this involves several hundred
6 pages of documents that will require review.
7 And we have had some review by the Legal
8 Department and outside counsel and others. So,
9 what I'm asking the Commission today would be
10 to delegate authority to me and to the
11 Executive Director to review the documents and
12 make the determinations as to whether
13 confidential treatment should still attach.

14 One of the things I think is
15 important to remember is when we drafted our
16 regulations, we were much more concerned about
17 public records. And we have an exemption from
18 the public records law for these kinds of
19 materials.

20 This is a different situation. This
21 is part of litigation and it is also under a
22 protective order. So, the documents are not to
23 be publicly released. But this is to release
24 them to the other party in the litigation.

1 But in the event that a
2 determination is made that these records should
3 no longer be confidential and should be
4 released under the protective order, Wynn will
5 still have the ability to go into court and
6 challenge whether they should be released or
7 not.

8 CHAIRMAN CROSBY: Released even
9 under the confidential structure?

10 MS. BLUE: Yes.

11 CHAIRMAN CROSBY: Released at all.

12 MS. BLUE: That's right. So, this
13 is just the first step. This is the Commission
14 complying with a request that's part of the
15 litigation.

16 But Wynn who is the best advocate,
17 obviously, for their materials will have the
18 ability to go before the judge and make their
19 case there. So, there's still more opportunity
20 to have their position considered.

21 So, that's the matter before you
22 today is a request for delegation of the
23 ability to -- for me and for Executive Director
24 Bedrosian to look at the documents and make the

1 determination and then work with outside
2 counsel to take it forward.

3 MR. BEDROSIAN: I would also note
4 Commissioners that General Counsel Blue and I
5 sat with Commissioner Macdonald on this issue
6 as he is uniquely qualified, I would suggest,
7 given his past experience in similar type areas
8 and had this conversation with him also.

9 COMMISSIONER MACDONALD: Right. I
10 was going to share that with my fellow
11 Commissioners that I do meet on a weekly basis
12 with General Counsel Blue on whatever issues of
13 a legal nature are in need of discussion.

14 And this issue and the prospect of
15 it coming before the Commission was a subject
16 that we discussed at some length. Mr.
17 Bedrosian was there as well as he usually is in
18 that weekly meeting.

19 I do think it's appropriate for me
20 as a person with a legal background and a
21 judicial background to be involved on this
22 before a decision is made. And accordingly
23 that General Counsel Blue made available to me
24 all of the files that have been submitted, the

1 files and documents that have been submitted by
2 Wynn along with a spreadsheet in which either
3 she or our counsel had identified all of the
4 documents that were at issue here, and which
5 also indicated those to which there was no
6 objection to their being released, and those to
7 which there was a modified objection to them
8 being released. Namely there'll be a
9 restriction to counsel reviewing them and
10 parties, if I recall right.

11 And then the third category would be
12 attorneys eyes only release conditions. And
13 then the final category would be to take the
14 position that they not being released at all
15 and to leave to the judge to resolve that
16 issue.

17 With that spreadsheet in-hand, I
18 then did a roughly random sample of these
19 documents. And they are familiar types of
20 issues were posed by the documents. Many of
21 them having to do with alleged proprietary
22 business practices and information.

23 My understanding, and Counsel Blue
24 correct me if I'm wrong, that staff's

1 recommendation with regard these documents
2 would be that the ones which are most sensitive
3 that they be permitted to be released but
4 subject to attorneys eyes only. That would be
5 a relatively small number of those. And the
6 expectation would be that if Wynn objected to
7 that then Wynn's attorneys could take that to
8 the judge. And then she would after hearing,
9 make a decision, make a final decision as to
10 whether they are released or not and thus
11 whether or not the documents in fact contain
12 information that a reasonable person would
13 think would compromise the legitimate business
14 privacy and trade secret interests of Wynn.

15 I will share with you that I am
16 completely comfortable with that process. And
17 having done my sampling of the documents, I
18 concluded that it was unnecessary to go through
19 each and every one of these documents and the
20 voluminous materials submitted by Wynn. And it
21 would be my recommendation that we adopt the
22 proposal of General Counsel Blue in this
23 regard.

24 CHAIRMAN CROSBY: Okay.

1 COMMISSIONER CAMERON: I certainly
2 would base my judgment on Commissioner
3 Macdonald's review and comfortable as well with
4 that delegation.

5 CHAIRMAN CROSBY: Anyone else?
6 Commissioner Macdonald do you want to make a
7 motion, offer a motion?

8 COMMISSIONER MACDONALD: I'll give
9 it a try. I move that the Commission approve
10 the motion or the recommendation of General
11 Counsel Blue with regard to the release of the
12 documents that are at issue in the Mohegan Sun
13 litigation and the recommended process for the
14 Commission's determination of confidential
15 documents as has been described by General
16 Counsel Blue.

17 CHAIRMAN CROSBY: Second?

18 COMMISSIONER CAMERON: Second.

19 CHAIRMAN CROSBY: Further
20 discussion? All in favor, aye.

21 COMMISSIONER MACDONALD: Aye.

22 COMMISSIONER CAMERON: Aye.

23 COMMISSIONER ZUNIGA: Aye.

24 COMMISSIONER STEBBINS: Aye.

1 CHAIRMAN CROSBY: Opposed? The ayes
2 have it unanimously.

3 MS. BLUE: Thank you. Next on our
4 list, we have two small business impact
5 statements.

6 We are beginning the formal
7 promulgation process for amendments to 205 CMR
8 152, individuals excluded from a gaming
9 establishment. As you may recall, this is the
10 regulation that creates the excluded persons
11 list. I know I always get it confused with the
12 voluntary self-exclusion list.

13 But this is the one that we brought
14 some amendments before you I think a meeting or
15 two ago. So, if we approve the small business
16 impact statement, we can move that forward for
17 its hearing and then final promulgation.

18 And we also have the small business
19 impact statement for the changes we made for
20 the voluntary self-exclusion. Those were
21 changes that we made after review of that
22 process and after the Commission asked us to
23 clarify that. So, this is the small business
24 impact statement for 205 CMR 133.

1 So, we can vote on those together
2 too as long as mention each one separately.

3 COMMISSIONER CAMERON: Mr. Chair, I
4 move that we approve the small business impact
5 statement 205 CMR 152 individuals excluded from
6 a gaming establishment, as well as small
7 business impact statement 205 CMR 133 voluntary
8 self-exclusion.

9 CHAIRMAN CROSBY: Second?

10 COMMISSIONER MACDONALD: Second.

11 CHAIRMAN CROSBY: Further
12 discussion? All in favor, aye.

13 COMMISSIONER MACDONALD: Aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

17 CHAIRMAN CROSBY: Opposed? The ayes
18 have it unanimously.

19 MS. BLUE: Thank you.

20 CHAIRMAN CROSBY: That's it with
21 item (6). We then go back to Ombudsman Ziemba.

22 MR. ZIEMBA: Thank you. Mr.
23 Chairman, Commissioners, I've included a
24 summary of applications the Commission received

1 for funding under the 2016 Community Mitigation
2 Fund in your packet.

3 Our 2016 guidelines note that the
4 Commission expects to make decisions on these
5 applications by July. Perhaps we can make
6 decisions earlier, perhaps maybe even by May.

7 As a review is still ahead of us, I
8 don't plan to go over the details of these
9 applications today. However, I do ask the
10 Commission to give approval of two items.
11 First, I ask the Commission to establish
12 \$100,000 reserves for eight communities, four
13 communities initially eligible in 2015
14 including Attleboro, North Attleboro, Hampden
15 and Melrose. And four new communities the
16 three host communities Everett, Springfield and
17 Plainville and Revere.

18 After the reserves are authorized,
19 my office will work with the communities to
20 determine the use of these dollars either for
21 planning purposes or for a specifically
22 identified impact. Once such purpose is
23 determined and an application is ready, we'll
24 bring the application back to the Commission

1 for approval.

2 The second item I ask approval for
3 is a grant to the city of Springfield of
4 \$350,000 for the Springfield Historic
5 Preservation Trust. This is actually not a
6 reserve application. This is a specific impact
7 application under our guidelines.

8 As you are aware, the Commission
9 entered into an agreement with the Mass.
10 Historical Commission, MGM, the city of
11 Springfield, the Springfield Historical
12 Commission and the Springfield Preservation
13 Trust for the creation of this reserve. The
14 Commission in that agreement provided that it
15 would pay \$350,000 to the fund and that would
16 be matched by \$350,000 from MGM.

17 Following your approval, if so
18 granted, staff would execute a grant agreement
19 with the city of Springfield. Then we would
20 disburse the funds. We have an April 30
21 deadline pursuant to the agreement that we
22 reached last year.

23 One note, in order to be in
24 compliance with our guidelines, Springfield has

1 agreed to be the co-applicant to the
2 application that was submitted by the
3 Springfield Redevelopment Authority.

4 With that as a background, I ask for
5 your approval of these items.

6 COMMISSIONER ZUNIGA: John, remind
7 us which ones are rollovers from last year.

8 MR. ZIEMBA: There's four rollovers
9 are Attleboro, North Attleboro, Hampden and
10 Melrose. So, we authorized those four
11 communities in 2015 guidelines.

12 Those four communities either by
13 reason of lateness in filing the application or
14 because they never got the application in, we
15 preserved their reserve into this year. Then
16 the other four Springfield, Everett, Plainville
17 and Revere, those are all newly created. We
18 determined that we would make funds available
19 when we created the 2016 mitigation guidelines
20 in December.

21 CHAIRMAN CROSBY: Call for a motion.

22 COMMISSIONER ZUNIGA: I'd be happy
23 to move that the Commission approve the
24 Community Mitigation Fund reserve applications

1 as outlined in the packet here for the
2 communities of Attleboro, Everett, Hampden,
3 Melrose, North Attleboro, Plainville, Revere,
4 Springfield for applying reserve and
5 Springfield for preservation trust purposes
6 described by --

7 MR. ZIEMBA: Commissioner, if we
8 could just note for the record that that final
9 one is an impact grant. It's not a reserve.

10 COMMISSIONER ZUNIGA: Sorry. Strike
11 that then. That'll be a separate motion. Then
12 only one Springfield reserve in this motion.

13 CHAIRMAN CROSBY: Second?

14 COMMISSIONER MACDONALD: Second.

15 CHAIRMAN CROSBY: Any discussion?
16 So, the rest of this stuff in the packet with
17 these applications we're not discussing at this
18 point, right?

19 MR. ZIEMBA: No. We have to do our
20 reviews which can be rather comprehensive.

21 CHAIRMAN CROSBY: Right. Any
22 discussion? All in favor of the eight
23 requested reserves signify by saying aye. 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 COMMISSIONER STEBBINS: John, I have
7 a question on the second grant. Talking about
8 the grant contract by which you're going to be
9 able to distribute the funds. As part of the
10 conditions of that grant contract, can we put
11 in some type of reporting requirement as to how
12 these funds are expended?

13 MR. ZIEMBA: Yes. We've discussed
14 that with Derek.

15 COMMISSIONER STEBBINS: Mr.
16 Chairman, I would move that the Commission
17 approve one-time grant from the Community
18 Mitigation Fund in the amount of \$350,000 to
19 the Springfield Historic Preservation Trust
20 Fund.

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 COMMISSIONER ZUNIGA: Thank you.

8 COMMISSIONER MACDONALD: Thank you.

9 CHAIRMAN CROSBY: So, we have left I
10 think Racing Division?

11 MR. BEDROSIAN: And then I think we
12 have one matter, 9(a).

13 CHAIRMAN CROSBY: Right.

14 DR. LIGHTBAUM: Good afternoon.
15 Today, we are bringing back in front of you the
16 changes that have been proposed to the Race
17 Horse Development Fund. We have concluded the
18 informal comment period. And Catherine Blue
19 has incorporated some of those changes. And
20 we'll also be discussing the small business
21 impact statement. Catherine.

22 MS. BLUE: So, what you have in your
23 packet today is a small business impact
24 statement for the amendments to 205 CMR 149.

1 And you have the final draft of the amendments
2 to that regulation.

3 This draft is essentially the same
4 as the draft that was before you previously
5 with the exception of the last paragraph, which
6 I deleted. And I deleted that in response to a
7 comment. We did receive a comment that thought
8 it would be inappropriate for a Commissioner to
9 be representing the viewpoints of another group
10 besides the Commission.

11 I think a Commissioner who is on the
12 Horse Racing Committee will be representing the
13 viewpoints of the Commission as well as all of
14 the stakeholders. But I think it rendered that
15 language unnecessary. So, the final version
16 that we'll put out for promulgation will not
17 have that last paragraph that you will see as
18 stricken in your draft.

19 Once we approve these amendments and
20 we approve the small business impact statement,
21 we will be taking this through the formal
22 process. There will be a hearing and there
23 will be time for more comments, the formal
24 comment period.

1 And I think just for the benefit of
2 our audience, we got a lot of comments, I'm
3 sure the Commission has seen them, about the
4 concept of the recognition of a horseman's
5 group.

6 And I think based upon the
7 conversation we had earlier or later last year
8 but a couple of months ago, the purpose of
9 these amendments really is to get purse money
10 out to as many people who can race as possible.
11 It really was not designed to talk about
12 recognizing a horseman's group.

13 We are not required to do that by
14 our statute, but it is designed to make the
15 maximum purse money available. So, if we have
16 multiple racetracks and multiple meets we want
17 to make sure that we can get that purse money
18 out there. So, that's what these amendments
19 are designed to do.

20 COMMISSIONER ZUNIGA: I have a
21 question on the last amendment. It's 149.04
22 subsection (4)(3)(c), where the Commission may
23 distribute less than the entire amount of the
24 funds if the Commission determines in its sole

1 discretion that such distribution shall be
2 beneficial.

3 What if there are two or more with
4 requests that is in excess of what's available?
5 When you add them together then the amount is
6 in excess of what's available for the year?

7 MS. BLUE: Under the fund?

8 COMMISSIOENR ZUNIGA: Under the
9 fund.

10 MS. BLUE: First of all, if the
11 amount is in excess of what's available,
12 whatever the excess is we can't do.

13 The purpose of this section was to
14 allow the Commission to not grant the entire
15 amount if the Commission wasn't comfortable.
16 It in essence codifies what you did last year
17 when Suffolk came in.

18 So, I think this gives the
19 Commission the discretion to determine how much
20 should go to each individual meet and in what
21 amounts. And you might want to consider things
22 like number of days raced or numbers of races
23 on each card. What would be an equitable
24 distribution? So, this gives you flexibility

1 in terms of awarding it.

2 I think in the situation that you've
3 mentioned, if there was two of them and let's
4 say they added up to the total, you would
5 probably want to take a look at what they were
6 doing. Were they full races, full season,
7 shortened season, what that looked like and how
8 much per race would go out.

9 COMMISSIONER ZUNIGA: Just the way
10 the language is structured, I would have
11 thought about it the other way as in if it's
12 determined that it's beneficial to do so but no
13 unless we determine that we may distribute such
14 amounts as we agree would be beneficial.

15 MS. BLUE: If you would like us to
16 change the language around, we certainly can
17 before we do it for formal promulgation. We
18 could do that.

19 COMMISSIONER ZUNIGA: But is there a
20 timeframe to start this promulgation process
21 that you already counted on?

22 MS. BLUE: No. We were going to
23 start it now. We did put it out for informal
24 comment which was very helpful. So, whenever

1 we are ready to start it, we would like to get
2 it out there about the time the meets start.

3 But we also know that the
4 thoroughbred meets are starting later. The
5 harness meets start in April. But the harness
6 side is in a little better shape at the moment.

7 CHAIRMAN CROSBY: This is the
8 beginning of the formal process.

9 MS. BLUE: It's the beginning of the
10 formal process, yes.

11 COMMISSIONER ZUNIGA: Then I'm okay
12 with that. There's a chance to just tweak it a
13 little bit.

14 MS. BLUE: There is. And we'll get
15 a lot more comments. And there is time to make
16 changes in it before it becomes final. So,
17 yes.

18 CHAIRMAN CROSBY: Do we a motion,
19 Commissioner?

20 COMMISSIONER CAMERON: Mr. Chair, I
21 move that we approve 149.00 Horse Race
22 Development Fund for formal promulgation.

23 MS. BLUE: And if we could approve
24 the small impact statement too.

1 COMMISSIONER CAMERON: And add the
2 small business impact statement approval for
3 promulgation as well.

4 CHAIRMAN CROSBY: Second?

5 COMMISSIONER MACDONALD: Second.

6 CHAIRMAN CROSBY: Discussion?

7 COMMISSIONER ZUNIGA: This is one of
8 the few small business impact statements where
9 there is an impact.

10 MS. BLUE: There is.

11 COMMISSIONER ZUNIGA: There will
12 likely be an impact because some of these are
13 small business, right -- some of these horse
14 people?

15 MS. BLUE: A lot of them. The
16 owners and trainers yes, most of them probably
17 are.

18 CHAIRMAN CROSBY: Further
19 discussion? All in favor, aye.

20 COMMISSIONER MACDONALD: Aye.

21 COMMISSIONER CAMERON: Aye.

22 COMMISSIONER ZUNIGA: Aye.

23 COMMISSIONER STEBBINS: Aye.

24 CHAIRMAN CROSBY: Opposed? The ayes

1 have it unanimously.

2 MS. BLUE: Thank you.

3 CHAIRMAN CROSBY: Last but not
4 least, Director Wells returns.

5 MR. BAND: Mr. Chairman,
6 Commissioners, I am here today to introduce you
7 to the IEB's Fair Deal tip program.

8 It should be noted that there's
9 always on our website, the public has had the
10 ability to send us a tip of some kind, but it's
11 just not structured as well. Before I start,
12 I'd like to acknowledge gaming agent Luis
13 Lozano who suggested this that we put this
14 program together. And I'd like to encourage
15 that kind of thinking amongst the staff.

16 Fair Deal is a part of a
17 comprehensive effort to ensure integrity of the
18 state's gaming industry. This program will
19 offer several convenient ways for patrons,
20 gaming employees and/or members of the public
21 to provide helpful information directly to the
22 IEB.

23 A tip program provides the public
24 with an organized and specific method to

1 directly contact the IEB with any potential
2 concerns or personal knowledge of unethical or
3 noncompliant gaming activity. Fear Deal allows
4 tipsters to provide information via telephone,
5 on-line report or email.

6 To educate the public of the
7 program, we're going to generate increased
8 awareness of this program. The Massachusetts
9 Gaming Commission will execute a comprehensive
10 communications campaign through a combination
11 of marketing, traditional media, outreach and
12 try to use to the maximum the newest
13 technologies available including social media.

14 This would not have moved forward
15 without the hard work of Elaine Driscoll, Mike
16 Sangalang and Dan McDonald. Thank you for your
17 hard work. Got any questions?

18 COMMISSIONER CAMERON: Question,
19 Sir. I know tip lines, one of the challenges
20 can be staffing them and the appropriate
21 responses and follow-up and investigation. Are
22 you sure our team has thought that through and
23 there's a plan in place?

24 MR. BAND: Yes. Our tip line is

1 going to be voicemail. And it will be checked
2 on a regular basis by the staff currently at
3 Plainridge Park.

4 COMMISSIONER CAMERON: Your staff?

5 MR. BAND: Yes.

6 COMMISSIONER CAMERON: And there's a
7 procedure to log, follow up?

8 MR. BAND: Yes.

9 COMMISSIONER CAMERON: Thanks.

10 COMMISSIONER STEBBINS: Bruce, is
11 there a way to suggest certain information
12 would be helpful to somebody thinking about
13 filing a tip like where you might have seen an
14 incident? How can we kind of prompt them to
15 make sure that information is provided?

16 MR. BAND: We have a form on our
17 site that fill outs and requests specific
18 information if possible like gaming table, the
19 casino, the slot machine. It's also stated on
20 our voicemail for the phone website.

21 COMMISSIONER STEBBINS: Great.

22 COMMISSIONER MACDONALD: Is there
23 any practice now, Bruce, any organized practice
24 now in this regard?

1 MR. BAND: There is to some extent.
2 We have gotten some tips via email and so on on
3 other various sites. But this kind of
4 structures it in a much better way.

5 We plan to put these kind of signs
6 around the back of the hallways in Plainville
7 at the casinos and also near the entrances. As
8 well as eventually we're going to have this
9 information printed on the back of the gaming
10 agents' business cards. So, when we give it
11 out that information is readily available
12 there.

13 I've found in other jurisdictions
14 that probably about 60 or 70 percent of the
15 information you get are from employees or
16 patrons that have seen something on the floor,
17 don't want to directly get involved but would
18 give you a lead that way. It's always been
19 very beneficial.

20 COMMISSIONER ZUNIGA: It sounds like
21 a great program. You mentioned briefly social
22 media. I have a 15-year-old that I can only
23 communicate by text. Would this include maybe
24 texts at some point?

1 MR. BAND: Elaine would be our
2 expert on that end of it.

3 MS. DRISCOLL: Yes. That's
4 something that we could potentially expand to
5 at some point. Maybe once we start this and
6 see where it goes and what people tend to use
7 most.

8 COMMISSIONER ZUNIGA: Thank you,
9 looking forward to that.

10 CHAIRMAN CROSBY: As usual, this
11 looks great. I like the design and everything.
12 It would have been ideal as a matter of
13 principle to see this in draft so we had a
14 chance to brainstorm. There have actually been
15 a couple of thoughts here and I had a couple of
16 thoughts about it. Maybe it would have added
17 to the content, maybe it wouldn't have, but
18 just for future reference.

19 MS. WELLS: We can also modify
20 these.

21 MR. BAND: It's not set in stone.

22 MS. WELLS: That was part of the
23 reason of coming before the Commission and not
24 just going off and doing this on our own was to

1 get feedback. So, if you have any comments on
2 that these are all sort of --

3 MS. DRISCOLL: It's all mock design.

4 MS. WELLS: This is more the draft.

5 CHAIRMAN CROSBY: I thought this
6 was --

7 MS. DRISCOLL: No, these are mock
8 designs for --

9 MS. WELLS: That was the purpose of
10 the presentation.

11 COMMISSIONER ZUNIGA: Well, it's a
12 great mock designs because it looks very
13 official. I think it's wonderful.

14 CHAIRMAN CROSBY: It's like all of
15 our design stuff, it's really good.

16 COMMISSIONER ZUNIGA: Really well
17 done.

18 CHAIRMAN CROSBY: So, does anybody
19 have a thoughts about the language?

20 COMMISSIONER MACDONALD: I'm
21 curious. The title Fair Deal, where does
22 that --

23 MR. BAND: We can attribute that to
24 Supervising Gaming Agent Burke Cain. And I

1 told him there would be no royalties associated
2 with that name.

3 COMMISSIONER MACDONALD: Well, I'm
4 trying to remember. We had FDR's New Deal.

5 CHAIRMAN CROSBY: Somebody had a
6 Fair Deal.

7 COMMISSIONER MACDONALD: Was it T.
8 Roosevelt Fair Deal?

9 MR. BAND: Could be, Square Deal.

10 COMMISSIONER CAMERON: I suspect
11 that our gaming agents may not quite remember
12 that, Sir.

13 MR. BAND: Burke has a birthday
14 coming up. He's old enough.

15 COMMISSIONER CAMERON: I like the
16 concept. I did see an earlier draft and
17 frankly this is much more professional. It's
18 just the changing around of where things were
19 located. I think it'll be beneficial. We do
20 want to -- We made a commitment to keep it safe
21 and secure. Tips are one way of ensuring that.

22 MR. BAND: Thank you.

23 COMMISSIONER STEBBINS: You're going
24 to have this in the GameSense area as well?

1 MR. BAND: Yes. We've already
2 discussed it with Penn. They are on board with
3 putting it wherever we need to put it.

4 MR. BEDROSIAN: Mr. Chairman, would
5 you want us to have staff just circle back with
6 each of the Commissioners one more time before
7 we finalize?

8 CHAIRMAN CROSBY: Well, if people
9 don't have any thoughts. It's superfluous.
10 The thing that I was wrestling with was
11 sometimes in doing something really well, it
12 becomes so subtle that you lose --

13 This is for tips. This is for tips
14 on problems. And by calling it something,
15 which I love in a way, the Fair Deal really
16 makes a lot of sense. And then there's some
17 sort of nice text about the purposes and the
18 policy objectives and so forth.

19 Is it grabby enough to make sure
20 that the casual passerby is going to realize
21 there's a tip line? I wouldn't debate the
22 point. I might have thrown that out at an
23 earlier phase.

24 We can try it for a while and give

1 it six months and see what happens. And if
2 nothing much is happening, we could always try
3 a different text. I don't have any strong
4 feelings. I think it looks terrific. You
5 mentioned social media.

6 COMMISSIONER ZUNIGA: As you were
7 saying that, I was just thinking maybe there's
8 of course many iterations of this that could be
9 simplified, Twitter, Facebook posts where all
10 of this verbiage could be summarized into
11 something like think you see a problem call or
12 whatever.

13 MR. BAND: As a matter-of-fact we've
14 already gotten one tip via our Facebook page.

15 MS. DRISCOLL: That's just it. We
16 hadn't yet made it into smaller digital images
17 and things like that because we did want to
18 have this conversation first before we finished
19 all the collateral. So, if there were any
20 major changes to this, it made more sense to
21 hold off on that.

22 COMMISSIONER CAMERON: I think a
23 phone call people think of that as
24 confidential. I don't know if they would think

1 the same thing with a text and/or a Facebook
2 page post.

3 MR. BAND: On the site, you can
4 print a form and also mail it. You don't have
5 to put your contact information.

6 COMMISSIONER STEBBINS: More to a
7 tech. question, saying it remains anonymous,
8 how is it possible to send an email and keep
9 that anonymous?

10 MR. BAND: It's not totally.

11 MS. DRISCOLL: Meaning we can
12 preserve their anonymity. And we've had that
13 conversation already.

14 CHAIRMAN CROSBY: And it says you
15 may remain anonymous, not sure what that means
16 but it doesn't say you will.

17 MS. DRISCOLL: Meaning at your
18 request.

19 COMMISSIONER ZUNIGA: I think the
20 most important thing here is to have the phone
21 that includes tips go to a place where we can
22 check voicemail. And to have the overall title
23 of the program Fair Deal where we can have a
24 number of --

1 MR. BAND: We already had the phone
2 line set up.

3 CHAIRMAN CROSBY: Where did the tips
4 - Do other people use that or did we just apply
5 for it and get it?

6 MS. DRISCOLL: So, we spent a lot of
7 time on that. That was one of the things. We
8 were trying to get 1844 Fair Deal but just from
9 developing previous crime tip programs like
10 this, we knew that it was really important to
11 try to get something memorable. There is a lot
12 of access to 8477 depending upon what the
13 combination of the first numbers would be. So,
14 we went through many numbers to get this one.

15 CHAIRMAN CROSBY: Great. That's
16 terrific.

17 COMMISSIONER MACDONALD: Mr.
18 Chairman, is your reservation about this that
19 the tips feature of it is not prominently
20 enough represented graphically here?

21 CHAIRMAN CROSBY: That's an
22 intuitive feeling I had. As I said --

23 COMMISSIONER MACDONALD: So, it'd be
24 like Fair Deal and then underneath something

1 larger, tip line.

2 CHAIRMAN CROSBY: That was what I
3 was getting at. I'm reluctant to get into
4 those kinds of debates because it's so
5 subjective. I throw it out there as a thought.

6 MR. BAND: We did change the initial
7 concept to make the contact information much
8 larger for that very reason.

9 CHAIRMAN CROSBY: Well, integrity
10 tip line stands out there.

11 COMMISSIONER CAMERON: Then tips in
12 bold gold letters right below it.

13 CHAIRMAN CROSBY: That's what I was
14 getting at.

15 COMMISSIONER ZUNIGA: I like the
16 whole thing. That aside, I like the colors,
17 our logo. It looks official.

18 MS. DRISCOLL: I just want to make
19 the point too that when this was first brought
20 to my attention and when the IEB was first
21 starting to think about this, we did do a lot
22 of research in terms of seeing what other
23 gaming control boards are doing etc., etc.

24 Basically, what I had found in some

1 of my research is that other gaming control
2 boards, although there might be requests for
3 patron complaint forms and things like that, no
4 one was doing anything as branded as this.

5 CHAIRMAN CROSBY: Really?

6 MS. DRISCOLL: Yes. I found that
7 some of the lottery agencies were actually more
8 aggressive in that. So, although some of them
9 were doing something like this, no one had
10 anything as branded as this.

11 COMMISSIONER CAMERON: Have you
12 thought about putting some of these over on the
13 racing side of the house?

14 DR. LIGHTBAUM: That'd be a good
15 idea.

16 CHAIRMAN CROSBY: All right.
17 Anything else?

18 COMMISSIONER CAMERON: Thank you,
19 good work.

20 CHAIRMAN CROSBY: Great. Thank you
21 very much. I believe, if I'm not mistaken that
22 we are completed. Any other business? Do I
23 have a motion?

24 COMMISSIONER CAMERON: Move to

1 adjourn.

2 COMMISSIONER MACDONALD: Second.

3 CHAIRMAN CROSBY: All in favor, aye.

4 COMMISSIONER MACDONALD: Aye.

5 COMMISSIONER CAMERON: Aye.

6 COMMISSIONER ZUNIGA: Aye.

7 COMMISSIONER STEBBINS: Aye.

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9 (Meeting adjourned at 2:37 p.m.)

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1 ATTACHMENTS:

- 2 1. Massachusetts Gaming Commission March 3,
3 2016 Notice of Meeting and Agenda
- 4 2. Massachusetts Gaming Commission February
5 18, 2016 Meeting Minutes
- 6 3. Massachusetts Gaming Commission February
7 4, 2016 Memorandum regarding Internal
8 Audit/Quality Assurance Status Report
- 9 4. Community College Hospitality and Resort
10 Casino Workforce Development Progress
11 Update
- 12 5. CATCH Institute at Bristol Community
13 College Update
- 14 6. Massachusetts Gaming Commission Survey of
15 MA-Based Plainridge Park Casino Vendors
16 7. Vendor Presentations
- 17 8. Small Business Impact Statement 205 CMR
18 152
- 19 9. Small Business Impact Statement 205 CMR
20 133
- 21 10. Massachusetts Gaming Commission March 1,
22 2016 Memorandum Regarding 2016 Community
23 Mitigation Fund Applications with
24 attachments

1 ATTACHMENTS:

- 2 11. 205 CMR 149 Horse Race Development Fund
- 3 12. Small Business Impact Statement 205 CMR
- 4 149
- 5 13. Massachusetts Gaming Commission
- 6 Communications Plan For the Launch of the
- 7 Fair Deal Tip Program
- 8 14. 205 CMR 134 Licensing and Registration of
- 9 Employees, Vendors, Junket Enterprises and
- 10 Representatives and Labor Organizations
- 11 15. 205 CMR 116 Persons Required to be
- 12 Licensed or Qualified
- 13 16. Massachusetts Gaming Commission February
- 14 29, 2016 Memorandum Regarding Suitability
- 15 Investigation of Konami Gaming, Inc.,
- 16 Applicant For Licensure as a Gaming Vendor
- 17 - Primary

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GUEST SPEAKERS:

- Nicholas Casiello, Fox Rothschild, LLP
- Thomas Jingoli, Konami Gaming

1 GUEST SPEAKERS:

2 Jeff Hayden, Holyoke Community College

3 Darrell LeMar, Bunker Hill Community College

4 Robert LePage, Springfield Technical Community
5 College

6 Wayne Wormley, Bunker Hill Community College

7

8 William Berardi, Bristol Community College

9 John Caressimo, Bristol Community College

10 Paul Vigeant, Bristol Community College

11

12 Mary Ann Campisano, M.A.C. Graphics

13 Gary Gomes, Logistico, LLC

14 Dennis Reardon, Kittredge Foodservice Equipment
15 & Supplies

16 Wendy Webber, Kittredge Foodservice Equipment &
17 Supplies

18

19 Marlene Warner, Council on Compulsive Gambling

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1 MASSACHUSETTS GAMING COMMISSION STAFF:
2 Bruce Band, Deputy Director IEB
3 Ed Bedrosian, Executive Director
4 Catherine Blue, General Counsel
5 Paul Connelly, Director of Licensing
6 Elaine Driscoll, Director of Communications
7 Jill Griffin, Director of Workforce, Supplier
8 and Diversity Development
9 Alex Lightbaum, DVM, Director of Racing
10 Loretta Lillios, Chief Enforcement Counsel
11 Corean Reynolds, Intern
12 Karen Wells, Director IEB
13 Mark Vander Linden, Director of Research and
14 Responsible Gaming
15 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 7th day of March, 2016.



LAURIE J. JORDAN
Notary Public

My Commission expires:
May 11, 2018