

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #214

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

Bruce W. Stebbins

Enrique Zuniga

Thursday, April 13, 2010 10:00 a.m.

MASSACHUSETTS GAMING COMMISSION
101 Federal Street, 12th Floor
Boston, Massachusetts 02110

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

P R O C E E D I N G S

CHAIRMAN CROSBY: Okay. We are calling to order public meeting No. 214 on April 13th at 10:00 a.m. at the Gaming Commission's offices. We will ask Treasurer Zuniga to speak to the minutes.

COMMISSIONER ZUNIGA: Thank you, Mr. Chair. The minutes for the meeting of March 30th are in the packet, and I will move that they be approved subject to any nonmaterial corrections or typographical errors.

COMMISSIONER STEBBINS: Just a quick point of clarification. When we approved the sale of Sterling Suffolk, did we require as part of the motion that they send us a copy of the lease, or was that just something we added in after the motion?

MS. BLUE: That was something that you asked them for specifically so that's why we put it in the minutes, but we asked them for it too as well.

CHAIRMAN CROSBY: Mic. Mic. Is

1 your mic on?

2 MS. BLUE: Yes.

3 COMMISSIONER STEBBINS: Okay. All
4 right. Thank you.

5 CHAIRMAN CROSBY: She's got
6 something wrong, Mike?

7 COMMISSIONER ZUNIGA: She's too far.

8 CHAIRMAN CROSBY: Okay.

9 COMMISSIONER CAMERON: Second.

10 CHAIRMAN CROSBY: I had a question
11 about -- there are several places here where I
12 don't think it really, quite accurately
13 characterizes the conversation and I can talk
14 offline about it. But I wonder whether these
15 are getting too substantive. It feels like
16 they're getting more substantive than they
17 have been. I'm not sure that's right. But
18 by -- when there's this much --

19 Like, for example, talking about
20 Rachel Volberg's -- you know, in her minutes
21 talking about some of the stuff with Bob
22 DeSalvio, couple of the things that Mark said,
23 you're really characterizing the substantive
24 content more and it -- and it needs -- and --

1 obviously, anybody's one take, you know,
2 trying to take two or three sentences to bear
3 down a big substantive conversation's going to
4 be a little subjective.

5 Number one, are we -- is this the
6 right level of detail and we -- or could we do
7 less? We've got such a clean record. We've
8 got the video there for everybody to see and
9 the entire transcript, because I worry that we
10 might, you know, inadvertently kind of
11 mischaracterize something, which we can always
12 correct because we have the transcript and the
13 video but -- so I guess I'm asking two
14 questions.

15 One is, is this the right level of
16 detail? And if we think that something is
17 slightly mischaracterized in the minutes
18 should we take the time to go back and fix it,
19 or does it not really matter since the record
20 is really clear?

21 MS. BLUE: Well, I think if anyone
22 has a question about how something's
23 characterized, we'd like to discuss that so we
24 can make sure we're -- we're getting it

1 correctly. We do -- we do most -- I would say
2 all the time go back and check those things
3 against the transcript and the video. So I
4 know there are some times when, you know,
5 we're not sure we go back. So we actually do
6 check what's in there.

7 In terms of level of detail, this is
8 the appropriate level of detail. We've gone
9 through the Attorney General's training on
10 minutes.

11 CHAIRMAN CROSBY: Okay.

12 MS. BLUE: And pursuant to that,
13 you're supposed to have enough detail so that
14 someone can pick up the minutes and understand
15 what the general conversation was like.

16 CHAIRMAN CROSBY: Okay.

17 MS. BLUE: But we'd be happy to talk
18 about, you know, any particulars in the
19 minutes and make changes as needed.

20 CHAIRMAN CROSBY: Okay. All right.
21 Well, rather than do it now, if you could
22 amend that a little bit, it would be all right
23 to approve, subject to let me come and talk to
24 Cecilia about a couple of substantive issues

1 later on?

2 MS. BLUE: That would be fine. And
3 we can bring them back at the next meeting to
4 approve again. In fact, if you don't want to
5 approve them now, we can have the conversation
6 and bring them back.

7 COMMISSIONER ZUNIGA: I was going to
8 suggest, I'll just remove the motion and we
9 can just come back the next time.

10 MS. BLUE: Yep.

11 COMMISSIONER CAMERON: Table the
12 motion.

13 MS. BLUE: I think that's better.

14 CHAIRMAN CROSBY: Table the motion.
15 Okay. So the motion is tabled for next
16 meeting. Next up, Director Bedrosian.

17 MR. BEDROSIAN: Good morning,
18 Commissioners. I have a number of items.

19 COMMISSIONER CAMERON: Good morning.

20 MR. BEDROSIAN: Some I will defer to
21 staff on. But the first one, the
22 administrative update, I would just note that
23 Monday was opening day at PPC. Myself,
24 Commissioner Cameron went down for some

1 beginning races with Commissioner Stebbins
2 pitching cleanup and coming down for some of
3 the later races. My observations were that we
4 had a lot of our experienced, seasonal
5 employees return.

6 The little White House we call it,
7 where our staff is, was incredibly organized.
8 Dr. Lightbown has a particular office, the
9 judges have offices now. There was absolutely
10 no backup for licensing. It felt incredibly
11 orderly, like almost we picked up from last
12 season.

13 So I think it's a testament to where
14 we've come in Dr. Lightbown's leadership. So
15 we hope this is the, sort of, beginning of a
16 long race season that is run as well as the
17 first day appeared to be run.

18 COMMISSIONER CAMERON: I'd love to
19 concur with that. Staff engaged, experienced,
20 licensing had an issue where someone retired
21 very late, recently. We know. We just said
22 nice words about him at the last meeting.
23 Dr. Lightbown was thinking ahead, and a few
24 folks that typically work in the barn area, a

1 couple employees volunteered to go over and
2 help out in licensing, so they received a
3 quick training and were over there assisting,
4 learning something new. Interesting to see
5 how that all that transpired.

6 And a very engaged staff. I think
7 they really appreciate the level of
8 commitment, the level of training they now
9 receive, support they now receive. New
10 computers is an example of that.

11 Sharp-looking uniforms is another example of
12 that.

13 So yeah, I was, frankly, proud of
14 the entire team. Operations were excellent.
15 Watching the judges perform and their level of
16 expertise, all accredited. I mean, really a
17 well-run shop all the way around and a lot of
18 enthusiastic people out there. So I would
19 concur and thank Dr. Lightbown. I know behind
20 the scenes is a lot of work. And Doug is here
21 as well. A lot of work to get done to have
22 that happen. So congratulations and it
23 really -- you make the Commission proud with
24 the work.

1 COMMISSIONER STEBBINS: It was -- I
2 echo that. It was a great day of racing. The
3 weather was perfect. A little disappointed
4 that Plainridge Park doesn't have their
5 hot-dog grill out, but that's all right.

6 CHAIRMAN CROSBY: They didn't have
7 any hot dogs? Whoa.

8 COMMISSIONER STEBBINS: I was really
9 disappointed. But I had the chance to do the
10 kind of walk-through with Alex and her team
11 during the monsoon we had last week. And what
12 was encouraging was to see a lot of the
13 improvements that Plainridge Park has made to
14 the barn area, the stables, the ship in the
15 stables. Again, the level of cooperation with
16 Steve O'Toole and the team at Plainridge, and
17 walking the grounds with Alex and her team
18 was -- it was encouraging. They're off to a
19 good start.

20 CHAIRMAN CROSBY: How was the crowd?

21 MR. BEDROSIAN: It was good. It was
22 pretty crowded. The parking lot was full.
23 People were circling waiting for -- are you
24 leaving? No, I'm not leaving. You know, that

1 type of thing.

2 COMMISSIONER CAMERON: Beautiful
3 day, so both inside and out. And the Chamber
4 had a large event upstairs so all of the
5 facilities were being used. There was some
6 local reps upstairs at the chamber event.
7 They're supporting racing. And I think
8 everybody was -- weather makes it, right, on a
9 opening day, and the weather was just
10 beautiful so -- good crowds.

11 MR. BEDROSIAN: And thanks to our HR
12 staff who went down to do the preseason ethics
13 training. So there's a lot of -- a lot of
14 background work, I think, as you guys said,
15 that goes into that so thank you very much.
16 So we're done with that item. On Item number
17 B, I'm going to turn it over to
18 Director Griffin.

19 MS. GRIFFIN: Thank you, Executive
20 Director Bedrosian. I'm here -- I know you're
21 all aware that State Senator Ken Donnelly
22 passed away in early April, and I wanted to
23 pay a brief but sincere tribute on behalf of
24 the Commission and share just some things that

1 Senator Connelly -- Donnelly has been involved
2 in.

3 So Senator Donnelly represented the
4 4th Middlesex District. That includes
5 Arlington, Burlington, Billerica and Woburn,
6 and Lexington, but his impact has been felt
7 across the Commonwealth. He fought for the
8 unemployed and underemployed. He was a
9 staunch supporter and champion in the senate
10 for workforce development and training to
11 advance opportunities for low-wage workers.

12 In my previous role, as director of
13 programs at The Boston Foundation, I served as
14 cochair of the board of SkillWorks. And this
15 is an initiative that brings together
16 philanthropy, government, community and
17 employers to improve workforce development,
18 train low-income individuals and help
19 businesses find workers. SkillWorks had a
20 champion in Senator Donnelly in our joint goal
21 to improve workforce development in Boston and
22 beyond.

23 Senator Donnelly sponsored and
24 championed, with SkillWorks, The Middle Skills

1 Solution Act. And this act built on existing
2 resources, such as community colleges, voc
3 tech schools, workforce development programs,
4 and really focused on preparing workers for
5 employment, specifically that required -- jobs
6 that required more than a high school degree,
7 but less than a four-year diploma. And
8 because of this work on the Middle Skills act,
9 Ken was invited to join the Governor's Working
10 Group that looked at issues around the
11 community college system in advancing economic
12 development.

13 You know, I was honored to witness
14 Senator Donnelly being presented with the 2016
15 Senate Legislator of the Year Award at the
16 Mass Jobs and Workforce Summit hosted by the
17 Workforce Solutions Group. Governor Baker,
18 Secretary Walker and 300 business labor
19 education and workforce leaders were in
20 attendance. Our friend, Steve -- Lew Finfer,
21 director of the Massachusetts Community Action
22 Network presented the award to Senator
23 Donnelly.

24 Senator Donnelly also championed

1 funding solutions for workforce development,
2 including ensuring that a portion of the
3 Gaming Economic Development Fund created by
4 the expanded gaming law would be transferred
5 from that fund into the Workforce
6 Competitiveness Trust Fund. This is a state
7 fund that supports regional training
8 partnerships, which, to date have created more
9 than 31 regional training partnerships with
10 employers, unions, training providers, voc
11 tech schools and community colleges since
12 2016.

13 So it just -- to summarize,
14 Senator Donnelly championed many causes during
15 his career, but he fought especially fiercely
16 for the unemployed and underemployed. And
17 through all these efforts, you know, he
18 brought his integrity and passion to changing
19 many lives for the better in Massachusetts so
20 I just wanted to take a few moments and
21 commend his work.

22 CHAIRMAN CROSBY: Great. Thank you.
23 Does 23K -- excuse me, were you done? Does
24 23K in the subsection on the Gaming Economic

1 Development Fund, that specifically earmark
2 some for that organization you were talking
3 about?

4 MS. GRIFFIN: Right. The work
5 that -- a portion of the fund --

6 CHAIRMAN CROSBY: Will go to that.

7 MS. GRIFFIN: -- appropriated by the
8 legislature would go to the Workforce
9 Competitiveness Trust Fund.

10 CHAIRMAN CROSBY: That might be one
11 of your focuses, Commissioner Stebbins, as
12 you're thinking about strategies for that.
13 Great.

14 COMMISSIONER CAMERON: Thank you for
15 sharing a tremendous loss, public servant to
16 the Commonwealth.

17 MS. GRIFFIN: Thank you.

18 COMMISSIONER ZUNIGA: Yeah. That's
19 a great summary. And it's very relevant to
20 the work that, you know, you of course are
21 doing as part of the work that we're all doing
22 here in the agency, so thanks for that
23 summary.

24 MS. GRIFFIN: Absolutely. Thank

1 you.

2 COMMISSIONER STEBBINS: Nice job.

3 MR. BEDROSIAN: So for the next
4 agenda item, I'm going to ask Doug O'Donnell,
5 senior financial analyst, and Dan McDonald,
6 manager of infrastructure and applications, to
7 come up. This is a -- what I hope is a
8 positive example of cross collaboration, where
9 Doug was having a challenge with an existing
10 software system on revenue reconciliation.
11 And not only did Dan solve it, he made the
12 situation better, but that's a inarticulate
13 way of describing what they will describe
14 articulately.

15 COMMISSIONER CAMERON: Welcome.

16 MR. O'DONNELL: Good morning.

17 COMMISSIONER CAMERON: Good morning.

18 COMMISSIONER STEBBINS: Good
19 morning.

20 MR. O'DONNELL: First of all, I
21 would like to commend Dan on doing such an
22 incredible job with this newly-integrated
23 racing billing system. We collaborated for
24 six months. I drove him absolutely crazy on

1 what we needed working on our current racing
2 financial system. And he is one of the most
3 patient, understanding people I know. I'd
4 like him to meet my wife. Maybe he could
5 enlighten that a little bit. But no, Dan did
6 an absolutely terrific job.

7 And what happens is the information
8 that we see is extrapolated from the tote
9 companies. And he has taken that information
10 and put together a program where we have a
11 number of different programs within the system
12 that are used for us, our internal billing,
13 external billing, commissions, trust funds,
14 everything that is needed and we have been
15 using. But now it is at our fingertips. We
16 have it on a daily basis. Where before, we
17 had to wait, you know, a few days for things
18 to come in and then it -- we were having some
19 discrepancies with the other companies, the
20 third parties we were using. So that is
21 completely eliminated, and it is such an
22 efficient system.

23 We started this on -- we actually
24 went live January 1st of this year. And since

1 then, on Derek's recommendation, we're doing
2 spot checks with the tracks for their
3 information from totes. And I go down there
4 on a weekly basis and we have been -- our spot
5 checks have been spot on. We haven't had --
6 the biggest discrepancy we had was last month,
7 which was three cents with Plainridge. And
8 they were over so we -- we made an additional
9 three cents on that so that was a good deal.

10 CHAIRMAN CROSBY: Thank you, Dan.

11 MR. O'DONNELL: But no. And the big
12 part of it is it's just -- it's very efficient
13 user-friendly. It's just making life a lot
14 easier in terms of billing. Track management
15 is very happy with this system, because if
16 they do need something they don't have to
17 wait, you know, two or three days. They can
18 get it right -- you know, instantaneously.
19 And the nice thing about it is it's saving the
20 racing division budget approximately \$55,000 a
21 year on an annual basis.

22 CHAIRMAN CROSBY: Wow.

23 COMMISSIONER CAMERON: Wow.

24 MR. O'DONNELL: So yeah. So that's

1 a -- you know, it's a big plus. Dan, can't
2 say enough about what he did, and it is a
3 terrific system and we're very happy with it.

4 COMMISSIONER CAMERON: Thank you.
5 Dan, did you develop this on your own, this
6 program?

7 MR. MCDONALD: I -- using an access
8 database, uploading the information and just
9 transforming it to what they needed for the
10 reporting.

11 COMMISSIONER CAMERON: So you did
12 develop it?

13 MR. MCDONALD: Yes.

14 MR. O'DONNELL: From scratch,
15 basically.

16 COMMISSIONER STEBBINS: That's
17 awesome.

18 COMMISSIONER CAMERON: Tremendous.
19 Thank you.

20 COMMISSIONER ZUNIGA: You know, can
21 I just go back a little bit, because there's
22 quite a bit of legacy that you glossed over
23 very quickly and I think -- you know, I was,
24 initially, one of the first people here trying

1 to figure out some of the legacy that we had.
2 What was the name of the first -- of the
3 system that we inherited from the racing
4 division?

5 MR. O'DONNELL: RFS.

6 COMMISSIONER ZUNIGA: RFS.

7 MR. O'DONNELL: The Racing Financial
8 System. And that was developed probably --
9 Alex would have a better idea, but probably
10 about 20 years ago, and we've been using that
11 same antiquated system.

12 COMMISSIONER ZUNIGA: Right. And
13 that was a mechanism that had been developed
14 and it was very hard to upgrade. Anything
15 went wrong. You know, there were performance
16 issues. Since then, if you, you know, refresh
17 my memory, we went to an outside vendor, to a
18 third -- when -- what was the name of that
19 vendor? Which is, essentially, the cost that
20 we're now going to be saving.

21 MR. O'DONNELL: Yes. Correct.

22 COMMISSIONER ZUNIGA: Because, you
23 know, that gets -- all the information that
24 comes from the tracks, it eventually had --

1 goes to all the different funds, the takeouts
2 and the premiums and -- you know, in between
3 tracks and signal from out of state and within
4 the state. All of that has a rule that's very
5 hard to follow. But it's ultimately an
6 algorithm that is programmable. And that's
7 effectively what Dan has done here in taking,
8 you know, an access database, which is very,
9 you know, straightforward but made into a --
10 now, you know, a computer system, which is
11 great. I think it's fantastic that we're now
12 doing that in house.

13 MR. O'DONNELL: It's a very
14 complicated system because of the takeouts.
15 There are so many different variations with
16 percentages on, you know, Harness Live,
17 export. So many different things and Dan was
18 able to put it all together. And it was
19 probably about six months that we worked
20 together and he -- and I said it's terrific.
21 We haven't had any issues with it since we
22 started.

23 CHAIRMAN CROSBY: Great.

24 COMMISSIONER STEBBINS: That's

1 great.

2 COMMISSIONER ZUNIGA: Well job.

3 CHAIRMAN CROSBY: Great.

4 Congratulations.

5 COMMISSIONER ZUNIGA: Good job.

6 COMMISSIONER CAMERON: Thank you.

7 COMMISSIONER ZUNIGA: Thank you.

8 MR. BEDROSIAN: Thank you guys.

9 MR. O'DONNELL: Thanks.

10 MR. BEDROSIAN: So that, I hope, is
11 a good lesson for us all of us internally,
12 that, you know, when we work together we can
13 actually solve issues and make them better so
14 thank you guys.

15 My last issue is an update on the
16 Internal Compliance Working Group in the
17 Plainridge Park Casino. Just as a remember,
18 under my responsibility as executive director
19 and working with staff, we've developed a
20 compliance working group, and I've drawn upon
21 the expertise of targeted senior staff members
22 and, often, Commissioner Zuniga. And let me
23 tell you what the compliance working group
24 does. It really addresses at this point,

1 three main buckets of items.

2 The first one, which I think was
3 sort of the trigger for this group, was what
4 I'd call just main compliance issues. If you
5 look at statutory compliance, license
6 compliance, all sorts of things that the
7 Commission and/or staff has responsibility for
8 information taking in, reporting out, making
9 sure people are doing, I think we identified
10 that we didn't have one main body or intake
11 point to make sure we were on top of all of
12 our responsibilities. And they grow all the
13 time.

14 Matter of fact, the Commission at
15 any given meeting can make another compliance
16 issue. So we decided we needed to get that
17 all in one particular portion and that's what
18 we do. And we work with Mr. Ziemba, our CFO,
19 our legal counsel, IEB. We try and get those
20 all in one bucket to make sure we're on top of
21 all of those, any deadlines we have, any
22 responsibilities. So that's one of the main
23 items.

24 The second main item is a risk

1 analysis for the MGC. And when I say "risk
2 analysis," what we've done is we've asked each
3 division to go through and say, you know --
4 and I think our CFO uses term "What keeps you
5 up at night and what would impede your
6 operations?" So we've done a -- put all our
7 risk analysis together in what would the
8 impact or particular risk be and what are we
9 doing to mitigate that? That's an ongoing
10 process that just never stops. You're always
11 doing a risk analysis about what happens in
12 your organization. And I think having all
13 these people around the table is incredibly
14 helpful, especially, for me.

15 The third one, which I think is
16 attached to this particular group because of
17 where we are as an organization, is overseeing
18 whatever audit functions we're doing. We have
19 statutory audit requirements of our licensees.
20 We're engaged in the Plainridge Park audit for
21 2016. I think we're very close to being done
22 with that. We've gone back and forth. We've
23 had our audit results. We've gone back and
24 forth with PPC. We have sent them our latest

1 draft. I would anticipate that we will be
2 done and be able to give the Commission an
3 update with a done audit by the next public
4 meeting.

5 I say, this is with that group this
6 particular time, because I suspect at some
7 point we will formalize an audit function
8 somewhere in staff. I don't think this
9 working group will ever not be involved in
10 having some input and oversight, but the
11 actual audit working functions may be pushed
12 down to staff depending upon the expertise
13 that we develop in the future. So key
14 members, obviously, Derek, Catherine, Karen,
15 John Ziemba, John Glennon, and then we will
16 just pull in whoever else can -- can shed
17 light on any of those -- those buckets of
18 items.

19 We meet monthly. Try and keep on
20 that standard meeting. And I suspect -- I
21 hope this is something that just stays --
22 stays monthly because I think it plays a very
23 helpful function to me, and
24 Commission Zuniga's invaluable with his

1 experience so -- and if there are any other --
2 we will certainly invite one more commissioner
3 to attend this, to pop in as a guest
4 commissioner. We'd love to have that so you
5 guys can have some insight to the workings.
6 So I don't know. Commissioner Zuniga, I don't
7 know if you wanted to add anything.

8 COMMISSIONER ZUNIGA: Yeah, no. I
9 would -- although that's a very good summary
10 of the three main aspects of what that group
11 is currently looking at. Just as a point of
12 clarification for background, we were doing
13 and have been doing a risk assessment since we
14 started. You know, we're required by
15 comptroller's office to do that, but it was
16 very individual, sort of, by-department
17 approach. And I think one of the benefits of
18 having a multidisciplinary group of senior
19 management is making sure that there's no fall
20 through the cracks type of thing. But that's
21 a very important piece that's ongoing.

22 The second, I would just highlight
23 that there's significant -- you alluded to
24 this, though. There's significant internal

1 compliance that we are looking at, of course.
2 And that's very much an administrative piece
3 that you oversee, but there's also a lot of
4 external compliance that the group in
5 different -- different departments look at
6 different things. You mentioned ombudsman.
7 Allowing the forefront of what's going on, IEB
8 has a very, very important role because
9 they're there on the property. And -- you
10 know, and part of the idea of looking as a
11 group is that there's -- any kind of
12 coordination needs to be, at least, talked
13 about.

14 But let me speak a little bit about
15 the audit, which is something that I think you
16 correctly point out. We need to figure out
17 how we structure that. What's the model that
18 we follow. And what we -- what we did this
19 year is rely on -- or maybe it's now our
20 second year. We relied on an outside audit
21 firm to help us do a lot of the fieldwork.

22 The second year we also used a firm,
23 but had a lot more work that happened from a
24 couple of key members of this -- of this

1 group. There's a good case for us to think
2 about how that audit function, where is that
3 going to sit in the organization. Whether we
4 continue to rely on outside parties, which,
5 you know, some companies do.

6 We know we've asked of our
7 licensees, what does your audit function look
8 like? Is there an audit committee that
9 reports directly to the board? Because, you
10 know, there's instances where, you know, an
11 audit function could have a disagreement with
12 management. I'm not suggesting that is the
13 case here at all, but it's something that we
14 will need to think about at some point.

15 And -- but it's important to, first
16 of all, get this first-year audit done. We
17 have this mechanism and we're very close --
18 we're almost there. We have this mechanism in
19 this group, and that was appropriate to think
20 about. As we grow with not just one audit of
21 one casino per year but, potentially, several
22 of many -- of more than one casino during the
23 year, we'll have to think about what we want
24 that function to look like, where do we want

1 that expertise to reside and sit in the
2 organization, and how do we mix it with
3 outside expertise and so on. But it's -- I
4 think it's a great approach. Kind of like,
5 start thinking about it as a group, start
6 coming together regularly, and I think it's
7 serving us well.

8 COMMISSIONER CAMERON: Yeah. Thank
9 you for that update. And I'm particularly
10 interested and pleased that we're paying
11 attention to our risk, because I think a lot
12 of organizations are blindsided by not
13 recognizing the risk and/or not taking the
14 proper steps to mitigate. So that's really
15 important that our folks not only recognized
16 it but are taking steps to -- to mitigate. So
17 good work. Thank you.

18 CHAIRMAN CROSBY: Yeah. I think
19 it's great too. And I appreciate that -- the
20 description of the buckets. A few things.
21 First of all, I do think it would be a good
22 idea to invite a second commissioner into
23 these meetings. I would definitely like to
24 come once in a while.

1 And secondly, on the risk assessment
2 there's -- there are -- I think it's a good
3 idea to, sort of, brainstorm too. It's not --
4 it's not -- what am I trying to say? There's
5 kind of some outside-the-box risk. As you
6 were talking, I was thinking, for example,
7 succession planning. You know, when we have a
8 new Chair -- it's going to be down the road a
9 piece, but when -- it's going to be an -- it's
10 going to be an interesting challenge to the
11 organization to have a new Chair, if the Chair
12 is an outsider, for example. It's sort of a
13 risk assessment issue. There are public
14 relations risks, you know.

15 COMMISSIONER CAMERON: A delicate
16 one, Mr. Chair.

17 CHAIRMAN CROSBY: Yeah, right.
18 Where Elaine would want to be involved. There
19 may be exogenous things that are going to
20 happen that -- you know, changes in
21 congressional statutes that might have an --
22 sports betting. You know, what -- that might
23 be something.

24 So there's a -- kind of a different

1 kind of risk assessment that I think would be
2 an important part to, sort of, brainstorm, and
3 maybe each of us as the outside commissioners
4 come we might bring our own particular angle
5 to that session. But I do think it would make
6 sense to have Elaine involved in that. At
7 least, maybe when I'm there would be a good
8 idea to have Elaine come to that meeting as
9 well.

10 I think Catherine's department put
11 together a list of everything out of 23K where
12 we have an obligation to -- is that in one of
13 those buckets?

14 MR. BEDROSIAN: Yeah. That's --
15 that was, sort of, the foundation of one of
16 those buckets.

17 CHAIRMAN CROSBY: Okay. Because, as
18 we've been going over the Responsible Gaming
19 Framework, one of the issues that arose out of
20 there is that we need to have some kind of a
21 function by which the Commission determines
22 whether or not our licensees are doing all the
23 aspirational things outlined in the framework.
24 We have all these things the licensee should,

1 but we's don't have any process of going back
2 to see whether they are or not. So that might
3 be one that gets added. You know, Mark is
4 going to work on that function, and that might
5 get added in to -- to that scope.

6 MR. BEDROSIAN: As I mentioned,
7 every meeting we can add more additions.

8 CHAIRMAN CROSBY: Yeah, right.
9 Right.

10 COMMISSIONER ZUNIGA: No. I had a
11 meeting as well with -- with the effort that
12 we're doing this Responsible Gaming Framework
13 and that conversation came up. They presented
14 us a plan and the question is who and how are
15 we going back to check that the plan is being
16 adhered to? And the first thing that came to
17 mind is this group, because that's a great
18 triage group that can then say, well, no
19 that's a function that rests with such and
20 such and you know -- or let's plan whomever to
21 have a follow-up, or we're already doing that
22 here in this --

23 MR. BEDROSIAN: I think Director
24 Vander Linden just joined our group.

1 COMMISSIONER ZUNIGA: Yeah, yeah. A
2 couple other things that you mentioned we are
3 looking at. Succession planning, you know, at
4 all levels of the organization and what the
5 mitigating factors are. One that comes to
6 mind is -- weekly is, you know, documentation.
7 That you have your processes documented. That
8 responsibilities are understood. And, you
9 know, what would happen in the event of, you
10 know, somebody leaving, et cetera, et cetera.

11 CHAIRMAN CROSBY: Some key
12 personnel, or out sick or something too.
13 Yeah.

14 COMMISSIONER ZUNIGA: Duplication of
15 duties is a big one. And you know, there's
16 specifics to all of those, but that's a lot of
17 -- a lot of what we discuss --

18 CHAIRMAN CROSBY: Okay. Great.

19 COMMISSIONER ZUNIGA: Or should be
20 discussed at a higher level.

21 CHAIRMAN CROSBY: That's great. I
22 think that's really a sign of a healthy
23 organization.

24 COMMISSIONER CAMERON: Yeah. I do

1 too. Sounds like you might need bigger
2 buckets.

3 MR. BEDROSIAN: We're going to need
4 a bigger boat. Going to need a bigger boat.

5 COMMISSIONER ZUNIGA: Can I mention
6 just mention one thing? The PPC audit, we are
7 required to conduct it by April. I think we
8 are -- by April 1st. And when we're there, we
9 just have the last go-around that that draft
10 has been issued with the response from PPC.
11 It's gone back to them for, essentially
12 final -- final review because we did have some
13 edits based on the PPC's response. Much like
14 the -- the process is very similar to what
15 happened when the auditor, the solicitor came
16 to our office here and did, you know, the
17 audit, et cetera.

18 So it will come to -- I just want to
19 highlight one thing. It will come to
20 commissioners. And if PPC needs -- just like
21 we have in our regulations, if they think that
22 anything has to be redacted from that office
23 -- from that audit, they need to tell us what
24 that is and we'll follow the same procedures

1 that we did for applications, for example,
2 and, you know, we'll bring it to the
3 Commission in that fashion.

4 CHAIRMAN CROSBY: Great.

5 MR. BEDROSIAN: Mr. Chairman, that's
6 all I have.

7 CHAIRMAN CROSBY: Okay.

8 MR. BEDROSIAN: Thank you.

9 CHAIRMAN CROSBY: Director Lennon.

10 MR. LENNON: Good morning,
11 Mr. Chairman, Commissioners.

12 CHAIRMAN CROSBY: Good morning.

13 COMMISSIONER CAMERON: Good morning.

14 COMMISSIONER ZUNIGA: Good morning.

15 COMMISSIONER STEBBINS: Good
16 morning.

17 MR. LENNON: I'm joined by
18 Agnes Beaulieu. And we're here to present to
19 you the third quarterly budget and supplier
20 diversity spend update for fiscal year 2017.

21 We'll start first with our quarterly
22 budget update. The Massachusetts Gaming
23 Commission approved a fiscal year 2017 budget
24 for the Gaming Control Fund of 27.17 million,

1 which required an initial assessment of
2 22.39 million on licensees.

3 Just to remind you, last quarter we
4 updated our spending and budget projections to
5 break out everything independently so we can
6 show the difference in that 27 million of what
7 we're directly in control of and what are
8 simply pass-throughs that we're required
9 legislatively to provide.

10 So the budget has a 18.59 million
11 dollar set aside for gaming operations, 1.65
12 million for indirect costs, 4.48 million, for
13 Research and Responsible Gaming, and a 2.37
14 million-dollar assessment for the office of
15 the attorney general and their state police
16 costs. There's also a \$75,000 ISA to the
17 alcoholic -- Alcohol Beverage and Control
18 Commission. For accounting for the surplus
19 funds from '16, the final assessment to
20 licensees is projected to be \$21.4 million.

21 After the first two quarters, the
22 Commission's budgets -- budget projected a
23 101.2 thousand-dollar spending reduction,
24 which should bring our budget numbers down.

1 The third quarter is also projecting a
2 decrease of an additional 117.4 thousand,
3 which would bring the total anticipated short
4 reduction to our budget of 218.6 thousand
5 dollars, which, in the picture of a 27.17
6 million-dollar budget is not significant, but
7 it does show that we're keeping our costs in
8 control.

9 Some of the highlights, the
10 third-quarter payroll savings due to attrition
11 or delays in hiring, as well as the
12 corresponding fringe benefits make up about
13 \$300,000 in anticipated spending reductions.
14 However, our legal bills for litigation will
15 offset the majority of those payroll savings.

16 Now, a key area to identify here is
17 Catherine had originally asked for 700,000 in
18 her budget at the beginning of the year and we
19 gave her 400,000.

20 CHAIRMAN CROSBY: Was that outside
21 counsel?

22 MR. LENNON: Yeah. That's outside
23 counsel. We gave her 400,000. So this is
24 pretty close to what she originally projected.

1 And the licensees had said to us, look, if you
2 go above and you blow out your budget just
3 come back to us. But we'd rather have you
4 come back and assess more, rather than assess
5 it upfront and then have a reversion. So this
6 isn't anything outside of what she had
7 anticipated.

8 The Commission continues to reduce
9 its reliance on consultants with a large
10 decrease to the Executive Director's budget,
11 approximately, 80,000. And the ombudsman's
12 office has lowered its estimates for
13 consultant costs for this year by,
14 approximately, 50 percent.

15 So included in your package -- I'm
16 sorry. A review of Appendix A of this
17 document shows that the MGC regulatory cost
18 spending is on pace with the percent of the
19 fiscal year that has passed. However,
20 spending for the Office of the Attorney
21 General and the Research and Responsible
22 Gaming area deserved a little deeper look.

23 So we took a look into those, and
24 based on Research and Responsible Gaming's

1 budget, the ISA that they have with DPH, as
2 well as a lot of their budget going to
3 research and the research agenda, they look to
4 be actually on target, pretty close to target.
5 It's just a lag in bills, as well as the
6 research agenda has an uptick for the last
7 quarter of the year with some bringing on of
8 professors and really kicking into some of the
9 larger studies that they have. So they're
10 going to come pretty close to spending out
11 their entire budget this year, which is same
12 thing as happened last year, even though it's
13 showing a bit of a lag right now.

14 The attorney general's office is a
15 tough one. The nature of their work makes it
16 very difficult to take money back at this
17 point of the year, or to project what their
18 final spending will be. If they get into an
19 investigation, any amount that we're looking
20 at right now that is lagging will quickly be
21 eaten up by uniformed investigative costs. So
22 there may be some additional saving there, but
23 can't really tell until June 30th comes.

24 COMMISSIONER ZUNIGA: But the good

1 news on that is that it's at least --

2 MR. LENNON: Spending well below
3 the --

4 COMMISSIONER ZUNIGA: Spending is
5 well below the original projections so...

6 MR. LENNON: So it doesn't look like
7 we'll be coming back asking for additional
8 money there.

9 COMMISSIONER ZUNIGA: Right. Right.

10 MR. LENNON: Just as a reminder, the
11 FY '17 budget eliminated many contingency
12 items. As we talked about with the -- with
13 the litigation, we did the same thing with a
14 lot of our equipment items so we're trying to
15 keep things very low. So while we're
16 projecting a \$218,000 surplus right now, I'm
17 not inclined to recommend reducing the
18 assessment.

19 In your package, in addition to the
20 memorandum is Appendix A to this document,
21 which shows budget to actual spending. You
22 have Appendix B, which shows all of the
23 adjustments to this quarter, which is
24 underproposed, but due to the nature of them

1 all netting out to a negative amount I don't
2 think you have to vote on them, and I wouldn't
3 recommend it. And then, Appendix C shows all
4 of the expense budgets for each division so
5 that you can see which division is on track,
6 which one isn't, which is how we reviewed to
7 see if we should come up with any additional
8 cuts on top of the ones we have in here.

9 COMMISSIONER CAMERON: Are division
10 directors becoming familiar with the fact that
11 they have to estimate and you're going to try
12 to hold them to those -- those costs; are they
13 getting more experienced at that
14 responsibility?

15 MR. LENNON: Yes. They're becoming
16 extremely experienced with that. Agnes meets
17 with them on a monthly basis. When Agnes
18 can't meet with them I do. They're also
19 developing their own budget projections. This
20 is the third year.

21 This year we have seen a drastic
22 improvement in projections, understanding,
23 coming to us with ideas versus us kind of
24 being the educator in the process. So we're

1 very -- we're very pleased with how the
2 division directors are taking responsibility
3 of their own budgets.

4 COMMISSIONER CAMERON: And they're
5 able to justify, whether it be a hire or an
6 initiative, they're pretty savvy at
7 articulating the needs and why?

8 MR. LENNON: So that is -- that's
9 one of the areas that we've worked hard on
10 this year for the FY '18 budget development.
11 Really getting -- and Executive Director
12 Bedrosian has been very supportive of that.
13 Really coming up with the impact to educate
14 not only us who are taking in the request, but
15 anything that we would bring forward to the
16 Commissioners or to our licensees, what is the
17 impact if we decide not to fund this? What
18 happens? What doesn't get accomplished? What
19 are we using to come up with that impact
20 statement so it's not just the -- we're going
21 to turn off the street lights type of -- type
22 of idea, which I guess -- sorry. That's a bad
23 reference. That comes from my DCR days when
24 you have a budget cut. What are you going to

1 do? Turn off the street lights.

2 CHAIRMAN CROSBY: That's the old
3 Washington Monument strategy.

4 MR. LENNON: Yeah. So I think that
5 it is -- you'll see a drastic improvement. I
6 think our licensees will have a lot of answers
7 when we do our budget sit-down with them in
8 May.

9 Commissioner Zuniga has already gone
10 through the first cut with Executive Director
11 Bedrosian and I, and I think he had a lot of
12 questions based on the level of information
13 that was in there, some areas that we want to
14 get some further discussion on. But yes,
15 we're not getting a lot -- we're not getting
16 the need it, want it, got to have it response.
17 We're getting the here's my timeline, here's
18 what happens, here are the delays that would
19 happen, here's my estimated amount of
20 resources needed.

21 COMMISSIONER CAMERON: I think
22 that's an area in which new leaders have not
23 had that experience and it's a really
24 important piece to have. So thank you for

1 that training you're providing. Ed, same
2 thing. It's very different than saying I want
3 this and having to justify it and really
4 layout the needs in a way that someone will
5 support it.

6 MR. LENNON: Correct.

7 COMMISSIONER ZUNIGA: I have a
8 couple questions. Perhaps we can just kind of
9 go through them. I think that's a great
10 summary on the gaming side. I had a couple of
11 questions on the other funds. Remind me,
12 003's racing, are there proposed adjustments
13 this quarter; did you want to talk to -- about
14 that?

15 MR. LENNON: Yes. So the proposed
16 adjustments for this quarter, a lot of it is
17 cleaning up what we hadn't done in the past.
18 So racing, with the addition of Doug
19 O'Donnell, has really embraced the same
20 thing -- you know, into a full-time position
21 for -- responsible for the budget has embraced
22 the same process that the gaming fund has been
23 doing for the last three years.

24 So the first 51,000 that you're

1 looking at there, we had initially budgeted a
2 Workers' Comp claim under the racing -- under
3 the gaming side. Came to our attention it was
4 a racing employee. Switched it down -- so
5 you'll see a 51 -- a \$49,000 decrease on the
6 gaming side, and a 51 increase here. That's
7 what the actual bill came in at.

8 The 114,000 is their indirect cost.
9 So an estimate of their ACH and J, taking
10 10 percent of that which we hadn't budgeted.
11 The 465 is the state police cost for the
12 racing division. Is there something in
13 addition in there?

14 MS. BEAULIEU: It was -- it was for
15 the four troopers, and there's only three
16 right now.

17 MR. LENNON: Okay. So it's for
18 the -- yes, just the state police. And then
19 the three -- the equipment side are desks to
20 finish outfitting the racing building.

21 COMMISSIONER ZUNIGA: So these are
22 proposed increases?

23 MR. LENNON: Proposed increases, but
24 well within their bottom-line budget.

1 COMMISSIONER ZUNIGA: Which is below
2 what they're bringing in?

3 MR. LENNON: Correct.

4 COMMISSIONER ZUNIGA: For an excess
5 of three. Okay. Sounds good.

6 MR. LENNON: So it's just really
7 tightening up their budget to the same level
8 that we have on the Gaming Control Fund. It's
9 been great working with Doug. I think,
10 hopefully, going forward, when we do our
11 initial budget projections, Doug will be
12 sitting up here too to give the overview of
13 any of the details behind the racing side.

14 COMMISSIONER ZUNIGA: Right. One of
15 the things that I've -- as part of the meeting
16 that I had with Director Bedrosian and Derek
17 on the first budget pass is whether there's an
18 opportunity for us to reflect the level of
19 effort that some of us put into racing.

20 And I know you've done a revenue
21 approach for proration, but it's something
22 that we're going to look at to see. But the
23 thing with racing is, that there's a limit to
24 how much we can assess because there's not a

1 direct assessment like there is with the
2 gaming licensees. It's really based on the
3 revenues that come in from -- from the
4 operations on simulcasting. But one of the
5 things that we are going to look at is
6 whether -- I believe there is a 5 percent
7 location currently on some people to the
8 racing funds that maybe we can -- we can see
9 if it merits an adjustment.

10 MR. LENNON: Yeah. So what Enrique
11 was talking about is, we currently do a cost
12 allocation based on percentage of total
13 revenues for our administrative staff. So
14 people in the general counsel's office, the
15 executive director's office, the financial
16 services unit and the commissioners who touch
17 on everyone, we charge them off 5 percent to
18 the racing budget. The rest of racing --
19 racing pays for the rest of their bills
20 directly so they don't eat into our
21 administrative, as we just showed what the
22 Worker's Comp claim we shifted it from our
23 budget into racing's.

24 With the addition of the Racehorse

1 Development Fund, the amount of time we're
2 spending on that, those numbers may be stale.
3 So we are going to take a look at whether we
4 should revise that up a little bit, as well as
5 some people are spending a lot more than the
6 5 percent of their time. So we'd want to get
7 estimates.

8 I know that we're looking at
9 shifting up the executive director's time. We
10 may want to look at Commissioner Cameron's
11 time, shifting those up a little bit. But
12 once again, once we get off of the cost
13 allocation, you've got more. For a harder
14 percentage of time, we really need a
15 certification from those individuals, if
16 that's what they're really expecting. And if
17 it's different at the end of the quarter, you
18 go back and adjust that.

19 COMMISSIONER ZUNIGA: Right.
20 Another question that I had was on the
21 Community Mitigation Fund. There's been some
22 payments out of that fund this year. Where
23 are they reflected -- are they reflected on
24 004?

1 MR. LENNON: Yes. Agnes told me
2 yes.

3 COMMISSIONER ZUNIGA: But did they
4 print out? Oh, is it 361, right at the top of
5 that page?

6 MS. BEAULIEU: Yes.

7 MR. LENNON: Yes. Sorry about that.

8 COMMISSIONER ZUNIGA: Yeah. Okay.

9 MR. LENNON: That's all that's been
10 paid out currently. So the way the Community
11 Mitigation Fund works, we have structured
12 grant agreements. It gives 25 percent up
13 front, then they can't access anymore of their
14 funds until they show us they have spent that
15 25 percent, then we'll give them another 25
16 percent. That way we're always getting
17 verification that they're using the funds and
18 we can get updated timelines for you. If we
19 get new applications we can say, well, they
20 haven't spent the first portion so do we want
21 to continue or...

22 COMMISSIONER ZUNIGA: Right. Right.
23 So seventeen one is the net, right; it started
24 at seventeen five, remind me.

1 MR. LENNON: Correct. Correct.
2 That's the net for what's sitting there for
3 cash. Remember, we have contracts written --

4 COMMISSIONER ZUNIGA: Yes.

5 MR. LENNON: -- in excess of that
6 361.

7 COMMISSIONER ZUNIGA: Well, in
8 excess, yes.

9 MR. LENNON: Well in excess.

10 COMMISSIONER ZUNIGA: Yeah. Okay.
11 Sounds good.

12 CHAIRMAN CROSBY: Great. Anybody
13 else? Great. Thank you.

14 MR. LENNON: I'll turn it over to
15 Agnes now for our supplier diversity update.

16 MS. BEAULIEU: Good morning,
17 Mr. Chairman, Commissioners.

18 CHAIRMAN CROSBY: Good morning.

19 COMMISSIONER CAMERON: Good morning.

20 COMMISSIONER ZUNIGA: Good morning.

21 COMMISSIONER STEBBINS: Good
22 morning.

23 MS. BEAULIEU: In your packets today
24 you have the supplier diversity benchmarks for

1 the Mass Gaming Commission total spend
2 encumbered to date through the third quarter.
3 Currently, we have already reached and
4 surpassed our benchmark for the small
5 businesses and we are continuing to work
6 toward our benchmark for the minority-owned
7 businesses, which, at this time, we are on
8 target to reach by the end of the fiscal year.

9 COMMISSIONER ZUNIGA: I miss --

10 MS. BEAULIEU: Yeah.

11 COMMISSIONER ZUNIGA: I'm sorry. I
12 don't know that we have that in our packets.
13 I'm sorry.

14 CHAIRMAN CROSBY: I thought I was
15 missing something.

16 COMMISSIONER CAMERON: Yeah.

17 COMMISSIONER ZUNIGA: Can you show
18 us at least what -- what the report might look
19 like?

20 COMMISSIONER CAMERON: It's on the
21 screen but we don't have it.

22 COMMISSIONER ZUNIGA: We don't have
23 it.

24 MS. BEAULIEU: And there's the

1 overall -- it's this one. That's the --

2 MR. LENNON: Is this one in there,
3 Amy?

4 COMMISSIONER CAMERON: No.

5 COMMISSIONER STEBBINS: No.

6 COMMISSIONER ZUNIGA: Somehow it
7 didn't make it through. It didn't make it in.

8 MS. BEAULIEU: Joanne, copy that
9 one. That's the one you copy.

10 COMMISSIONER CAMERON: Do you know,
11 if there's --

12 MR. BEDROSIAN: We can work off
13 this -- we can we can work off the screen.

14 COMMISSIONER CAMERON: If there's a
15 way, Michael, to make this screen the entire
16 -- just the report itself, we'd be able to
17 read it.

18 MR. SANGALANG: It's not going to be
19 any bigger than it is now.

20 COMMISSIONER CAMERON: Okay. Can
21 you read that?

22 CHAIRMAN CROSBY: You can read this
23 one, actually.

24 COMMISSIONER CAMERON: Oh, okay.

1 It's okay, we can read it.

2 MR. SANGALANG: We can do that.

3 COMMISSIONER CAMERON: Oh, good.

4 COMMISSIONER STEBBINS: There you
5 go.

6 MR. SANGALANG: We'll have to scroll
7 through.

8 COMMISSIONER ZUNIGA: Sounds good.

9 MS. BEAULIEU: Now I got to look at
10 which one -- okay. So this is our current --
11 our current encumbrances to date for fiscal
12 year '17. For our minority businesses we're
13 at 305,000, for our small businesses we're at
14 615,000, and for our women-owned businesses
15 we're at 305,000. These are our open
16 encumbrances to date so we're planning to
17 spend this through the end of June. For -- is
18 the second screen there, Michael?

19 MR. LENNON: No.

20 MS. BEAULIEU: Okay. There's a
21 second spreadsheet that shows what we have
22 spent to date for this year so far. For our
23 minority businesses we have already spent
24 \$190,000, for our small businesses we've spent

1 \$780,000, and for our women-owned businesses
2 we've spent \$166,000.

3 Our benchmarks for our
4 minority-owned businesses for the total for
5 the year is at \$238,000, and we're at 190 so
6 far in our spending so we're on target to meet
7 that by the end of the fiscal year.

8 For our women-owned businesses, the
9 target benchmark is -- this one was at
10 \$900,000, and currently we're at -- we're on
11 target to be at about \$444,000. This one
12 we're still struggling to meet and we've
13 reached out to our sub-- to our contractors
14 for them to contact their subcontractors and
15 capture some of their spending, and I'm also
16 in touch with the supplier diversity office to
17 see what we can capture from our other
18 statewide contracts for women-owned
19 businesses. And the small business benchmark
20 was, I believe, at \$220,000 and we have
21 already surpassed that with \$780,000 in
22 contracts.

23 This year we calculated our
24 spending -- our totals were very aggressive

1 with a total of discretionary money at
2 \$6.9 million. When the supplier diversity
3 office came out with their calculated
4 benchmark it was a total of \$3.4 million. It
5 was significantly lower. We are still trying
6 to attain the 6.9 benchmarks in those
7 calculations, but we are on schedule to -- or
8 on target to meet all of the supplier
9 diversity benchmarks this year.

10 MR. LENNON: So the difference there
11 is the operational services division sets
12 benchmarks for the rest of the state agencies
13 and they look at discretionary budgets, and a
14 lot of times they'll eliminate any existing
15 contracts.

16 So we have some large contracts with
17 our legal resources, with the IGT for our
18 central mass system, which would drop our
19 discretionary spend down by 2-1/2 to
20 \$3 million. We choose not to eliminate those
21 from our discretionary spend because what we
22 try to do is get our primary vendors to
23 subcontract with minority- and women-owned
24 businesses, which is why you're seeing a big

1 drop in our -- you know, the huge difference
2 that we have in our minority contracts.

3 I don't think it's acceptable that
4 we're at this level. We're still fighting
5 very hard. We're working daily with all of
6 our contractors, with all of our directors to
7 figure out what we can do to try and reach our
8 higher benchmarks. But you won't see us pop
9 out on a statewide report because we've
10 already met all those benchmarks and exceeded
11 them. We're missing our own, which I still
12 don't think is okay.

13 CHAIRMAN CROSBY: Right.

14 MR. LENNON: You know, we're
15 striving hard in this division to try and meet
16 those internal benchmarks.

17 COMMISSIONER ZUNIGA: Which I think
18 is a great approach, but I think it's a --
19 that's a very good clarification point because
20 really there's a case to be made that your
21 discretion, you know, comes down with
22 long-term contracts that, you know, every year
23 you can renew, you can only renew. Can I just
24 go back to the numbers? Some of the

1 figures -- the figures on the screen are -- is
2 the spent to date?

3 MR. LENNON: Right there, that's
4 open encumbrances. The other one is spent to
5 date, which is -- I'm sorry that we couldn't
6 get the -- so there's two spreadsheets.
7 There's one -- the one that says "open" is the
8 balance remaining on the contracts. The one
9 that says --

10 MS. BEAULIEU: It's broken out by
11 month.

12 MR. LENNON: By month shows us spent
13 to date by -- by each month what we've spent.
14 So one is July, two is August. It goes by
15 fiscal periods.

16 COMMISSIONER ZUNIGA: Okay. So some
17 of these figures -- I'm just -- as an example,
18 I know that the contract with XFact is larger.
19 There may be a couple of things going on in
20 their -- the total contract. This may be
21 reflecting only their minority subcontracting,
22 or is this their balance?

23 MR. LENNON: This is the balance
24 that was open at the time we ran this report.

1 We're currently in the process of amending
2 that contract for the next phase of work
3 that's being done. So the way we've gone
4 about this latest engagement is, as Floyd and
5 Joan will tell you, an agile contract
6 management so that we can test each stage of
7 the software, make sure it's working for us
8 before we actually drop more money into
9 developing additional software.

10 So the traditional way of doing it
11 is you write out all your specs, send the
12 contractor off and they go and build you a
13 system, come back and you say, yeah, we don't
14 like how this works, we don't like how this
15 works, and that creates 30 different changes
16 down the line that they have to do to other
17 modules.

18 What we're doing now is we're
19 testing as each module is -- comes on line
20 writing a scope of work for each module so
21 that we don't get that cascading effect of
22 problems when you find a bug in the early --
23 early process.

24 COMMISSIONER ZUNIGA: So are they a

1 minority?

2 MR. LENNON: They're minority prime.

3 COMMISSIONER ZUNIGA: Prime
4 minority. Okay. So the balance to their
5 contract, you just have not encumbered it yet,
6 which is what you just --

7 MR. LENNON: But that -- yeah. So
8 that will help us a little bit there too. But
9 it's not going to get us anywhere near -- I
10 mean I think --

11 MS. BEAULIEU: Minorities were good.

12 MR. LENNON: It's the women. It's
13 the women-owned that we're having the
14 difficult with.

15 CHAIRMAN CROSBY: Michael, can you
16 scroll this down again a little bit, or
17 whoever did that?

18 COMMISSIONER ZUNIGA: No. That's
19 too much -- it was --

20 CHAIRMAN CROSBY: Well, it's all
21 right. Doesn't matter. All right, there you
22 go. Whoops. Yeah, okay. We talked about
23 this, I know, when -- in the context of Jill's
24 work, but we are double and triple counting

1 here. You know, Cause Media shows up three
2 times. That means that almost 25 percent
3 of -- or more of the encumbered is one account
4 that's counted three times. It's counted as a
5 minority, as a woman and as a small. That's
6 just -- it's misleading as to what is really
7 actually happening. You know, it makes us
8 look like, as a percent of our sales, we're
9 doing something that we really aren't. And I
10 don't -- I sort of bring this up because we
11 talked about it --

12 COMMISSIONER ZUNIGA: We've talked
13 about it before.

14 CHAIRMAN CROSBY: I don't know if we
15 talked about it with our -- about our own
16 work.

17 COMMISSIONER ZUNIGA: We have.

18 CHAIRMAN CROSBY: Okay.

19 MR. LENNON: Yeah. We talk about
20 this each time.

21 CHAIRMAN CROSBY: Oh, we did?

22 COMMISSIONER ZUNIGA: We talk about
23 it each time.

24 MR. LENNON: Each time we do this

1 presentation it comes up.

2 CHAIRMAN CROSBY: All right. Well,
3 sorry.

4 MR. LENNON: So this is a format
5 that the rest of the state uses. When they
6 certify a vendor you have three -- you have
7 four different -- I think it's five now
8 different certifications that you can possibly
9 get. And if you cross over all of them you
10 get credit for all of them. They don't
11 prorate it. It is a flaw. It's a problem
12 that everyone has. It is misleading.

13 CHAIRMAN CROSBY: When you look at
14 -- when you look at the categories
15 individually, I don't have so much of a
16 problem with it because it's realistic.

17 MR. LENNON: Yeah.

18 CHAIRMAN CROSBY: When you total it
19 and take that as a --

20 MR. LENNON: It's over accounting
21 for.

22 CHAIRMAN CROSBY: It's way over
23 accounting. Yeah, okay.

24 COMMISSIONER ZUNIGA: You and I

1 always disagree on this point.

2 CHAIRMAN CROSBY: Yeah, all right.
3 Sorry. I'm getting old. I forgot we talked
4 about this already.

5 COMMISSIONER ZUNIGA: But I think,
6 you know, if somebody -- if a business is a
7 minority and a woman, you know, how can you
8 ask them to choose whether they're one or the
9 other. They're both.

10 COMMISSIONER CAMERON: That would be
11 a hard choice.

12 COMMISSIONER ZUNIGA: Yes. It would
13 be a very tough choice.

14 CHAIRMAN CROSBY: Okay.

15 COMMISSIONER ZUNIGA: And there's a
16 lot of disagreement in the, you know,
17 workforce and supplier diversity -- rather,
18 the supplier diversity population, if you
19 will, or community I meant to say on this --
20 on this -- on this very topic. But the way
21 the state currently does it is what we're
22 doing and that's the point I wanted to mention
23 here.

24 MR. LENNON: Correct. But it's

1 not -- it's not intuitive, you're right. This
2 conversation hits frequently.

3 CHAIRMAN CROSBY: I'll bring it up
4 again next quarter.

5 MR. LENNON: All right.

6 CHAIRMAN CROSBY: All right. Next
7 up?

8 MS. BEAULIEU: Thank you.

9 MR. LENNON: Thank you very much.

10 CHAIRMAN CROSBY: You have Eastern
11 Bank on your --

12 MR. LENNON: So a quick update. As
13 part of our regular workings we have
14 identified changing our depository accounts to
15 Eastern Bank. The main point I want to come
16 across here is we as a Commonwealth are tied
17 into a lot of the contracts that the state
18 treasurer's office and comptroller picks for
19 us. So we have a lot of -- we are limited in
20 the discretion that we're able to use
21 whichever banking institution we want for
22 payments, for payroll, for our long-term
23 depositories.

24 But what we are allowed to do as a

1 matter of convenience and as a matter of what
2 the -- each agency wants to do in their own
3 policy is pick our overnight depositories.
4 And we're allowed to keep money in a -- in
5 different bank accounts for different business
6 functions that we have up to 24 hours and then
7 the state treasurer sweeps that money and puts
8 it into the Commonwealth's main bank account
9 where it sits and collects the majority of its
10 interest and then gets paid out.

11 We have made a choice to go with
12 Eastern -- Eastern Bank for four out of our
13 five main banking operations. The one that
14 will stay at Bank of America is our racing
15 fees, racing licensing fees. And the main
16 issue for that is Eastern Bank's closest
17 location for depositing is in Taunton. That's
18 a rather long drive from Plainville where
19 there's a Bank of America closer. That
20 accounts for about \$70,000 of our total \$110
21 or \$111 million dollars that we do annually.

22 So the majority of it's shifting
23 over to Eastern Bank. And this was a move
24 that the chairman really wanted us to

1 investigate, wanted us to take a look at if it
2 was possible. It is possible because the
3 state treasurer publishes a list of banks that
4 the Commonwealth's departments are allowed to
5 engage with at their discretion. Eastern Bank
6 is on that list. They're an approved bank for
7 the Commonwealth to do business with.

8 We worked with the state
9 comptroller's office as well as the
10 treasurer's office to make sure we could
11 transition our bank accounts over. We'll
12 hopefully do that by June 30th. May 1st is
13 when we're targeting to do the daily taxes and
14 assessment for the -- on gross gaming revenue,
15 then we'll move over our main licensing forms
16 from the IEB and licensing division. And
17 then, finally, we'll do our assessments.

18 CHAIRMAN CROSBY: Yeah. Thank you
19 very much for doing this. Some of you have
20 heard me talk about this. But Eastern Bank is
21 a local bank that is really notable for its
22 behavior in areas of diversity and inclusion.
23 Many people talk the good talk and others are
24 good, but Eastern really takes it seriously as

1 part of their work. I've seen them around --
2 I see Bob Rivers, the CEO of the bank, at a
3 lot of local diversity activities. They vote
4 with their feet.

5 You might tell the story that you
6 asked -- that you raised. So I just felt, you
7 know, we have such a legislative mandate to
8 make diversity and inclusion an important part
9 of our work, another way we could do that is
10 by utilizing vendors who really walk the walk
11 and talk the talk and Eastern really does, and
12 so I'm really proud.

13 I've talked with Jill about this as
14 well and she also respects what Eastern does,
15 how they really roll up their sleeves in terms
16 of their philanthropy, their personnel, et
17 cetera. So I'm pleased to be doing this, and
18 thank you very much for taking the time to go
19 through the process. There was an interesting
20 question asked of me by Commissioner Cameron
21 when I mentioned this to her.

22 COMMISSIONER CAMERON: When I heard
23 about this issue, and I was certainly
24 impressed as we all were with their commitment

1 to diversity and several examples of what
2 they're doing, but I did ask the question, how
3 are they on equal pay for women? And
4 percentage of women, you know, in leadership
5 positions because that's an issue that I -- is
6 important to me and should be to everyone,
7 frankly, but so Director -- and the Chairman
8 just wasn't sure. He assumed they probably
9 were good but he wasn't sure.

10 So Director Griffin was good enough
11 to do some research and walked into my office
12 with a huge smile and said, look at this. And
13 there were a number of pages that she had
14 pulled off the Internet about this topic in
15 particular. How this new -- I think he's been
16 around a few years, but this chairman has
17 worked hard with the Board of Directors, the
18 increase -- the Board was 5 percent, it's now
19 25 percent?

20 CHAIRMAN CROSBY: Women. Women.

21 COMMISSIONER CAMERON: Women. Yes.
22 Since his leadership.

23 CHAIRMAN CROSBY: And 40 percent
24 women, minorities and LGBT on their board.

1 COMMISSIONER CAMERON: Right, right.
2 So -- and as far as pay, they do compensation
3 analysis constantly and, you know, looking at
4 performance. And the one other issue they
5 were looking at it was performance and it
6 was -- it wasn't seniority. In other words,
7 getting away from negotiating and looking at,
8 are they doing equal jobs -- experience.
9 Experience and performance were the issues to
10 really make those decisions about not secret
11 negotiations that sometimes, you know, leave
12 others who may not have those skills a
13 little -- they're just not equitable for the
14 same -- the same job.

15 So I was pleased that this is
16 another issue they pay a lot of attention to
17 and are looking at how to -- how to -- those
18 barriers, eliminate those barriers so -- along
19 with their diversity efforts, they're very
20 good with -- with equity pay issues as well.
21 So another reason that we're -- I think we're
22 making a great choice.

23 COMMISSIONER ZUNIGA: Yeah, I think
24 it's great. I just want to mention a couple

1 of things. Changing bank accounts for us is
2 not as easy as it would be for an individual
3 to just close an account and get a check and
4 move it to the -- to another bank. So this
5 required a couple -- you know, as you
6 mentioned quite a bit of work with
7 comptrollers and the linked accounts and so
8 on.

9 And it's probably fair to say but I
10 just want to put it in the form of a question.
11 We're not losing any functionality with this
12 move. Maybe the screens look a little
13 different, but if you could speak to, you
14 know, that aspect, I think it's also something
15 we should mention.

16 MR. LENNON: Absolutely. And thank
17 you for reminding me. I want to thank
18 Maria Bottari. She's done a lot of this
19 legwork for us. And we were very happy with
20 BOFA's platform, Bank of America. Very happy
21 with their platform, their reporting platform.

22 So one of the things that we wanted
23 to make sure and work with the state
24 comptroller's office, we have electronic

1 payment pages that link over and do automatic
2 sweeps for us. What we wanted to make sure
3 was we were getting an equal platform. And
4 Maria spent two months reviewing this. We are
5 getting as equal a platform. They're willing
6 to customize some reports for us.

7 So we're getting a very engaged
8 bank, not that Bank of America wasn't. Like I
9 said, we were very happy with them. But any
10 deficiencies that we may have identified they
11 have worked to change their platform for us so
12 that we have what we needed to make this
13 transition. So we're getting everything we
14 need to reconcile. We're getting everything
15 we need to investigate any discrepancies that
16 we may see so we're very pleased.

17 COMMISSIONER ZUNIGA: That's great.

18 CHAIRMAN CROSBY: So is the net of
19 this is the overnight accounts, essentially so
20 and those -- what are our average overnight
21 accounts at this point?

22 MR. LENNON: So what we worked out
23 without the average -- we're not going to say
24 mean, we're going to say median is around 270,

1 275,000. There are sometimes when we'll have
2 bigger amounts because we pull in assessments
3 or we pull in a slot fee, but when you're
4 looking at the gross gaming revenue licensing
5 fees it's around 270, somewhere around there.

6 CHAIRMAN CROSBY: And can you
7 estimate what that will be when MGM and Wynn
8 are up, just ballpark?

9 MR. LENNON: So what we're using
10 right now is between 250 to 300 million. I
11 don't really have that off the top of my head.
12 I could --

13 CHAIRMAN CROSBY: Okay. But
14 something like that?

15 MR. LENNON: Yeah.

16 CHAIRMAN CROSBY: So when these
17 other casinos open, it's going to be real
18 money.

19 MR. LENNON: Yeah.

20 COMMISSIONER ZUNIGA: Well, I'd say
21 it's real money now but let me...

22 MR. LENNON: Let me actually -- that
23 might be the right number, the 275 when they
24 open up. I know I had to do this for the

1 bank. You got me. I wasn't prepared.

2 COMMISSIONER ZUNIGA: We'll probably
3 get to 800,000.

4 MR. LENNON: On a daily basis?
5 Okay.

6 CHAIRMAN CROSBY: So every --

7 COMMISSIONER ZUNIGA: 300 million
8 divided by 365.

9 CHAIRMAN CROSBY: So 300 million a
10 year. Yeah. Good. Well, great.

11 MR. LENNON: So it's not
12 insignificant.

13 CHAIRMAN CROSBY: No. Right.

14 MR. LENNON: But they don't get to
15 keep it long-term. That was one of the things
16 that we had to work with the bank on, how long
17 they get to keep it.

18 CHAIRMAN CROSBY: Right.

19 MR. LENNON: Because the
20 Commonwealth wants a majority of that
21 interest.

22 COMMISSIONER ZUNIGA: Commonwealth
23 gets the majority.

24 CHAIRMAN CROSBY: Yeah. I mean, we

1 can only do what we can do. But within the
2 limits of our discretion, we made a -- I think
3 we made a really good decision here so that's
4 great. Thank you.

5 COMMISSIONER ZUNIGA: Thank you.

6 CHAIRMAN CROSBY: Okay. Let's take
7 a quick break before we get our ombudsman's
8 update.

9

10 (A recess was taken)

11

12 CHAIRMAN CROSBY: All right. We are
13 reconvening public meeting No. 214. Next item
14 on the agenda is Ombudsman Ziemba.

15 MR. ZIEMBA: Thank you, Mr.
16 Chairman -- first up today -- wow, that's
17 pretty loud. First up today is a request from
18 the Town of Foxborough for the use of its
19 mitigation reserves. They've requested to use
20 \$1,180 for a module that will enable them to
21 communicate with Christopher Bruce and our
22 review team as part of our study that's
23 ongoing.

24 CHAIRMAN CROSBY: All right. Any

1 comment, question?

2 COMMISSIONER CAMERON: Yeah. I had
3 an opportunity to meet with Chief Baker and --
4 because as we know Foxborough was not
5 participating in our -- in our crime study and
6 left a gap in that analysis. And he is the
7 new chief, and I can't tell you what a
8 pleasure it was to meet with him.
9 Progressive. Thought this was a tremendous
10 idea. Wanted to participate. Send
11 Christopher to his office, he would do
12 everything he could.

13 They identified that in order to
14 extract the data they would need this module.
15 He called about is there a way to fund it.
16 John Ziemba was tremendous in dealing with
17 him, telling him about the fund and how he
18 could apply and walking him through the
19 application process.

20 But I just -- I can't thank
21 Chief Baker enough for his willingness. He
22 really understood the project and was very
23 willing to participate, so I think it's a
24 win-win for everybody, and I think this is an

1 appropriate way to use that money.

2 And it's the same system that many
3 of the departments in the Springfield area
4 use, so we're kind of planning ahead knowing
5 they'll probably need this module to extract
6 data, but I think this is a good idea and it
7 was a good experience dealing with
8 Chief Baker.

9 COMMISSIONER STEBBINS: I would just
10 say, you know, kudos to the chief and the
11 folks in Foxborough for kind of stepping up
12 and being willing to participate in this
13 project. But kudos, also, to Commissioner
14 Cameron for going down and visiting with the
15 leadership in Plainridge and having that
16 uniform-to-uniform conversation as to how
17 important this is.

18 COMMISSIONER CAMERON: We could
19 visualize the uniforms, yeah.

20 COMMISSIONER STEBBINS: There you
21 go.

22 CHAIRMAN CROSBY: I want to second
23 it too. I think it's really important. And I
24 think the press and the public need to

1 understand, and they've begun to see, just how
2 detailed our analysis of the impact of the
3 casinos is on crime rates in the surrounding
4 area. And it's a really good report, but it
5 cannot be done without the close collaboration
6 of the police departments in each of the
7 communities.

8 And up until Chief Baker arrived, we
9 were not able to get Foxborough to participate
10 so we weren't able to measure the impacts on
11 Foxborough, and it's a huge break. I agree
12 that it's partly owing to Commissioner Cameron
13 and his -- her -- you know, the respect people
14 have for you and your knowledge of the -- of
15 the folks in the industry in the law
16 enforcement world and the politics and the
17 issues. But as you've said, Chief Baker gets
18 tremendous credit. And I hope, somehow, we
19 get that word to him, that we've all said
20 this, you know, repeatedly.

21 COMMISSIONER CAMERON: We will.

22 CHAIRMAN CROSBY: Okay. Great. Do
23 I have a motion on this?

24 COMMISSIONER CAMERON: Mr. Chair, I

1 move that we approve the Foxborough Community
2 Mitigation Reserve Fund being used for this
3 purpose, which is the module needed to extract
4 data.

5 CHAIRMAN CROSBY: Second?

6 COMMISSIONER ZUNIGA: Second.

7 CHAIRMAN CROSBY: Any further
8 discussion?

9 All in favor? Aye.

10 COMMISSIONER STEBBINS: Aye.

11 COMMISSIONER CAMERON: Aye.

12 COMMISSIONER ZUNIGA: Aye. Aye.

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

15 COMMISSIONER ZUNIGA: Just a
16 reminder, you will -- we've said it before
17 that when we did all the reserves you'll come
18 back with each request out of those reserves,
19 that's why we're taking this vote, because the
20 request is very good, especially, all the
21 context that was talked about was very small
22 in terms of, you know, the dollar amounts. Is
23 that our process?

24 MR. ZIEMBA: Yes. Exactly. So all

1 reserve requests must go to the Commission
2 before they're approved.

3 COMMISSIONER ZUNIGA: Right. Okay.

4 CHAIRMAN CROSBY: Next up.

5 MR. ZIEMBA: Great. Well, thank
6 you, Mr. Chairman. So I was asked to provide
7 a brief summary of pending legislation that is
8 of interest to the Commission. I'm not going
9 to go into tremendous depth on any one piece
10 of legislation, but I just thought I would
11 give you a brief overview of what is pending
12 on the Hill as things are starting to move as
13 committees are now assigned and hearings will
14 begin shortly.

15 So in your packet I have a list of
16 racing and gaming bills broken down by
17 committee. In general, the two main
18 committees that handle these bills are the
19 Joint Committee on Economic Development and
20 Emerging Technologies chaired by
21 Chairman Joseph Wagner in the House, and
22 Chairman Eric Lesser in the Senate. And the
23 Joint Committee on Consumer Protection and
24 Professional Licensure are chaired by

1 Representative Jennifer Benson in the House
2 and Senator Barbara L'Italien in the Senate.

3 So just starting with the racing
4 bills. Senate bill 175, that's an act
5 relative to horseracing and wagering. That is
6 very similar to the Commission's legislation
7 House 9, which would repeal 128 -- MGL
8 Chapter 128A and 128C, the simulcasting and
9 racing statues, and replace them with a new
10 128D.

11 This would place responsibility for
12 the regulation of all matters relative to
13 horseracing with the Gaming Commission and
14 give the Commission greater flexibility in the
15 use of the Racehorse Development Fund.

16 The one thing you'll see throughout
17 this presentation is that there are some bills
18 on racing that are in two committees and
19 essentially the same bill that are before two
20 committees, and on gaming purposes. So I
21 think we'll need to coordinate with both of
22 those committees as we go forward.

23 Next on the list is Senate 185,
24 which would require the Commission to study

1 the feasibility of a horse park, which study
2 could be funded through the Racehorse
3 Development Fund.

4 House 2007, that proposes to reduce
5 the percentage of gaming taxes transferred to
6 the Racehorse Development Fund from 9 percent
7 to 4.5 percent. The 4.5 percent would be
8 reallocated to the Community Preservation
9 Trust Fund, a fund that can be used to
10 preserve open space, historic sites,
11 affordable housing and recreational
12 facilities. And stop me if you wanted to
13 discuss any one of these items.

14 Similarly, House 2008 would transfer
15 up to \$10 million a year from the Racehorse
16 Development Fund to the Community Preservation
17 Trust Fund.

18 Senate 206 amends the powers and
19 duties of the Department of Agricultural
20 relative to the Massachusetts thoroughbred
21 breeding programs. Senate 206 is before the
22 Economic Development Committee.

23 House 1978 is, essentially, the same
24 bill. It's before the Consumer Protection

1 Committee. And then --

2 COMMISSIONER ZUNIGA: John, are you
3 going by order in here?

4 MR. ZIEMBA: Yeah. I'm trying to go
5 in order on the items on racing, but I'm
6 jumping -- jumping down.

7 COMMISSIONER ZUNIGA: Jump between
8 committees. All right.

9 MR. ZIEMBA: Where there's basically
10 two bills that are the same.

11 COMMISSIONER ZUNIGA: There's a
12 Senate and a House, yep.

13 MR. ZIEMBA: And then, finally,
14 you'll see under the Consumer Protection
15 Professional Licensure House 2008. And that
16 would extend some of the simulcasting racing
17 provisions by one year. As you know,
18 authorization is due to expire as of July 31st
19 of this year, and this would extend it by one
20 year.

21 On the gaming side, House Bill 10,
22 that's the Commission's legislation, which
23 would enable municipal and regional planning
24 agency employees to fully participate in

1 gaming policy advisory committees. As you
2 know, currently, such officials may be in
3 violation of the Conflict of Interest Law for
4 such participation. The state ethics
5 commission wrote this legislation for us to
6 help with these communities and these
7 committees.

8 COMMISSIONER STEBBINS: Hey, John,
9 you -- House 10 and further down, Senate 183,
10 they both have the same title, but when I went
11 into the background material, talked about
12 Senate 183 mentioning Holocaust era insurance.
13 I didn't know if that was just a mistake in
14 the material. I mean -- I guess my first
15 question, are the Senate bill and the House
16 bill essentially the same language, Senator
17 Flanagan's bill and...

18 MR. ZIEMBA: They are exactly the
19 same language, yeah.

20 COMMISSIONER STEBBINS: Okay.

21 MR. ZIEMBA: I may have put down the
22 wrong number.

23 COMMISSIONER STEBBINS: So it's just
24 some of the MASSTRAC information that might be

1 off?

2 MR. ZIEMBA: Okay. Yeah, you're
3 right. Sorry. I have the wrong number there.
4 So we thank the state ethics commission for
5 working with us on that legislation.

6 House bill 214 would create a
7 limited slot machine license for veterans'
8 organizations.

9 COMMISSIONER ZUNIGA: Which one?

10 MR. ZIEMBA: House 214.

11 COMMISSIONER ZUNIGA: Yeah.

12 MR. ZIEMBA: That's the
13 Representative Calter bill, I think,
14 Commissioner, you and I were --

15 COMMISSIONER ZUNIGA: It's been
16 there before. Yeah.

17 MR. ZIEMBA: At the -- at the
18 hearing last year.

19 COMMISSIONER ZUNIGA: Yeah. Yep.

20 MR. ZIEMBA: House Bill 2826. This
21 is legislation that was previously sponsored
22 by the Commission with consolidated authority
23 within the treasurer's office relative to
24 charitable gaming. Currently, charitable

1 gaming authority is split between the Gaming
2 Commission, the attorney general's office and
3 the treasurer's office.

4 Senate Bill 183, I guess I have that
5 wrong number. That's the same thing as our
6 Gaming Policy Advisory Committee legislation.

7 Senate bill 189, that would require
8 a sticker on slot machines delineating their
9 addictive nature. Senate 193, that would
10 specify that 32.5 percent of the education
11 fund, which is funded from gaming revenues
12 shall be spent on early education.

13 Senate 203, that relates to how
14 funds from the education fund are spent on
15 education, specifying that some funds shall be
16 spent on recommendations of the Foundation
17 Budget Review Commission.

18 Senate 205 would require the
19 Commission to procure products and services
20 from Massachusetts businesses.

21 COMMISSIONER ZUNIGA: The Commission
22 or the licensees?

23 MR. ZIEMBA: Well, it says the
24 Commission. And I think what is intended is

1 gaming machines, if you take a look at the
2 title, but the language of the bill refers to
3 products and services.

4 COMMISSIONER ZUNIGA: Okay.

5 CHAIRMAN CROSBY: Which number is
6 that?

7 COMMISSIONER CAMERON: 205.

8 Bottom.

9 CHAIRMAN CROSBY: Senate 205. Yep.

10 MR. ZIEMBA: Senate 964, it aims to
11 specify that certain game machines used for
12 entertainment only, such as pinball, shall not
13 be governed by the gaming statutes.

14 House Bill 1951 would change how
15 local and stabilization fund proceeds would be
16 allocated involving the -- the Gaming Local
17 Aid Fund.

18 Senate 325 further specifies how the
19 education fund funding through the gaming tax
20 is allocated.

21 The next bill that you'll see --
22 that you'll see, House Bill 3474, under
23 Environment Natural Resources and
24 Agricultural, that actually should have been

1 included in the CORI bill section. That
2 further defines gaming employee and creates a
3 new definition of nongaming employees.

4 The legislation would eliminate two
5 categories of persons from being gaming
6 employees. Those connected with the operation
7 of gaming establishments, and those designated
8 by the Commission. These definitions would
9 impact the application of prior felony
10 limitations to potential gaming employees.

11 Similarly, another bill in the CORI
12 section, House 2832 eliminates the word
13 automatic as it relates to such prior felony
14 restrictions on potential employees.

15 House bills 8760, 3084 and
16 Senate 871 are more overreaching CORI reform
17 bills that may have applicability to our
18 licensees. We'll watch those.

19 Next on your bigger list is online
20 gaming. Senate bills 1345 and 182, and House
21 bills 26 and 135 would authorize the sale of
22 certain lottery products on line.

23 And Senate 200 would allow gaming
24 establishments licensed under MGL Chapter 23K

1 to conduct games over the Internet.

2 Finally, Commissioners, I've
3 included a section describing various
4 budgetary sections that relate to the Gaming
5 Commission, including a section that would
6 allow the Commission to authorize alcohol
7 sales on the floor of gaming establishments
8 for persons gambling from two to four in the
9 morning, and a section changing the names of
10 the Bureau of Substance Abuse to Substance
11 Addiction, as it relates to the subcommittee
12 on addiction services under the Gaming Policy
13 Advisory Committee.

14 Today's the deadline for the filing
15 of numerous other amendments to the budget.
16 We'll be watching those. The budget will be
17 debated starting on the 24th of April. We
18 just noticed one amendment that was just filed
19 that relates to the Racehorse Development Fund
20 and creates a commission to take a look at
21 whether or not the gaming fund should continue
22 to go into the gaming -- to the Racehorse
23 Development Fund. So there's a number of
24 different items that we'll have to watch as

1 they go through the budget process.

2 COMMISSIONER ZUNIGA: It creates a
3 commission or directs this commission?

4 MR. ZIEMBA: It creates a
5 commission.

6 COMMISSIONER ZUNIGA: Creates a
7 commission. Okay.

8 CHAIRMAN CROSBY: Who filed that, do
9 you know?

10 COMMISSIONER ZUNIGA: Jones.

11 MR. ZIEMBA: Brad Jones.

12 COMMISSIONER ZUNIGA: I have a
13 process question, but let me get to that in a
14 minute. Was there -- did you -- in your
15 summary, did you talk about a version of a
16 racing bill that we have put forward in the
17 past? Is that --

18 CHAIRMAN CROSBY: Yeah. H.

19 MS. BLUE: Yes.

20 MR. ZIEMBA: Yes.

21 COMMISSIONER ZUNIGA: It's still in
22 its prior form?

23 MS. BLUE: It is close to the prior
24 form. It looks like it's the form that got as

1 far as it went last year. It is different
2 from our HB9 that we filed this year, in some
3 respects.

4 CHAIRMAN CROSBY: But it's pretty --
5 but it's close enough. It passed the Senate
6 last year. It didn't get through the House.
7 And they put back some of the earmarks that we
8 had taken out. Oh, no. They took out the
9 earmarks that we had left in.

10 MS. BLUE: Right.

11 CHAIRMAN CROSBY: But it's
12 fundamentally right where we want to be,
13 either one of those. SB175 or HB10, I think
14 are both good for us.

15 COMMISSIONER ZUNIGA: And which,
16 perhaps, leads me to my process question.
17 There's a couple of new -- new people at
18 the -- there's Chairman Lesser, who didn't
19 used to be there, is the committee that we
20 report to. I'm wondering if, you know, like
21 we have done in the past, sporadically, if
22 there would be a good opportunity to -- some
23 of us or yourself, Mr. Chairman, to some of
24 the staff, Director Bedrosian, to give an

1 update of what we are doing maybe in the
2 context of some of this -- these bills.

3 CHAIRMAN CROSBY: We actually -- at
4 Commissioner Stebbins' initiative because he
5 knows Senator Lesser we went up there en masse
6 recently and did do sort of an overview with
7 Director Bedrosian and Director Griffin and
8 myself, and offered -- and met his key staff,
9 the woman -- her -- his legislative aide,
10 Samantha Kelly, I think, and offered to bring
11 them down here, show them around, meet the
12 other staff, meet other commissioners. So I
13 think that's underway. It's a good thought,
14 but we already did it at Bruce's direction --
15 initiative.

16 The thing I wanted to mention about
17 this while these are going on, I frequently
18 get calls either from a committee staffer or a
19 member of a committee, or the press, about a
20 lot of these bills. You know, the online in
21 particular, the marijuana structure stuff, as
22 you know, and I try to walk a line in working
23 with -- with Elaine and sometimes with Ed
24 between -- you know, not -- I can't

1 characterize the Commission's opinion about
2 anything, unless we've taken a position.

3 Like, for example, on the
4 horseracing bill we have taken a formal
5 position, but I just want to make sure that
6 everybody's comfortable. You know, sometimes
7 I'll just say this is me speaking, but they're
8 sometimes looking for how is the Commission
9 going to feel on such and such. They're have
10 a meeting that day and we can't give them a
11 decision, obviously, until we have another
12 public meeting.

13 So I try to walk a line there, but I
14 just want to make sure that everybody is
15 comfortable with -- with where I am on that
16 line. And, you know, say so if -- I mean, I'm
17 not as under the kind of pressure that
18 Sean Spicer is under but -- but it's hard in
19 realtime. Occasionally, you make a mistake
20 and I'm going to make it once in awhile, I'm
21 sure. But A, I want to make sure that you're
22 comfortable with kind of the way it's playing
23 out now. And B, let me know, obviously, if I
24 somehow or other go too far or characterize

1 something too much.

2 COMMISSIONER ZUNIGA: Well, let
3 me -- in my opinion, we've had a number of
4 instances like this where we could -- we could
5 always use the second commissioner rule. And
6 based on some of what we've done before, we
7 always have the ability to bounce off ideas
8 and feedback and background of staff, which I
9 know you've continued to do.

10 You know, you've taken a lot of the
11 racing, Commissioner Cameron. If it's
12 something about racing, that's an obvious
13 go-to.

14 CHAIRMAN CROSBY: Right.

15 COMMISSIONER ZUNIGA: You know, I
16 took from Commissioner McHugh the shepherding
17 of the -- the bill relative to charitable
18 gaming. If that's one of the questions that's
19 an easy have to go back to my notes or even
20 ask some of the staff who knows as well.

21 So I think that should continue to
22 be the approach. People rec -- they recognize
23 you that, you know, if they want, you know,
24 immediate feedback, you're the person to talk

1 to, but there's an infrastructure that you can
2 always rely on, needless to say with the
3 staff, you know, and someone else, or, you
4 know -- this is unlikely, but, you know, call
5 an emergency meeting, I suppose. But I think
6 you should continue to exercise that
7 discretion.

8 CHAIRMAN CROSBY: Okay. And I think
9 I pretty much -- you know, issues of diversity
10 Public Health Trust Fund, you know, I often
11 will talk about with you.

12 COMMISSIONER ZUNIGA: Right.

13 CHAIRMAN CROSBY: Economic
14 development issues I talk about, and workforce
15 development I talk about with Commissioner
16 Stebbins. Certainly, on the racing stuff. So
17 I certainly try to do that. But I just -- I
18 just wanted to have it on the record and, you
19 know, I will -- I think that's a good
20 suggestion and I'll keep trying to make sure
21 I'm doing that.

22 COMMISSIONER CAMERON: Yeah. And I
23 think that certainly is the right approach.
24 And I think we've all had to do that. Right?

1 I sit in meeting with stakeholders for -- how
2 would the Commission feel about this? I said,
3 well, I'm one Commissioner. This is what I
4 think. You've seen how the Commission has
5 addressed similar issues in the past. You
6 know, lines like that so they know that you're
7 not speaking for the entire Commission. So
8 that's -- I think we've all probably had to do
9 that with some of our stakeholder meetings and
10 our areas of expertise.

11 MR. BEDROSIAN: The good news, being
12 the executive director, I often get the
13 question, what's the Commission going to do?

14 CHAIRMAN CROSBY: Right.

15 MR. BEDROSIAN: And my default
16 position is, no matter what I say, you've seen
17 them in public so my prediction is as good as,
18 you know, as what it's worth, so I think
19 that's a safe course of action.

20 CHAIRMAN CROSBY: Okay. Great.
21 Anything else on legislative stuff? Thanks,
22 John. That's really helpful.

23 MR. ZIEMBA: I just wanted to note
24 that that bill was the correct bill number but

1 there must an old summary.

2 COMMISSIONER STEBBINS: Old summary.
3 Got it.

4 MR. ZIEMBA: So good news that we
5 were right on that one.

6 COMMISSIONER STEBBINS: Absolutely.

7 COMMISSIONER CAMERON: Thank you for
8 keeping such close track.

9 CHAIRMAN CROSBY: What do they say,
10 even the blind squirrel?

11 MR. ZIEMBA: That's right. Thank
12 you very much.

13 COMMISSIONER STEBBINS: Thanks,
14 John.

15 CHAIRMAN CROSBY: Director Wells.

16 MS. WELLS: I believe the first item
17 on the agenda is actually being handled by the
18 legal department, the Small Business Impact
19 Statement.

20 MS. BLUE: So you have in your
21 packet the final version of 205 CMR 152 and
22 the amended Small Business Impact Statement.
23 We've taken this regulation, these amendments
24 to this regulation through the hearing

1 process. So the only steps that are left is
2 to file the amended Small Business Impact
3 Statement and do the final promulgation.

4 We at the hearing received no
5 comments so we're -- you know, we're pretty
6 sure we've gotten all the input we're going to
7 get. Commissioner Stebbins did the hearing
8 and he can vouch for the fact we had no
9 visitors, no comments. So if you could
10 approve staff taking that through the final
11 process, we'll just keep that -- moving that
12 forward.

13 COMMISSIONER STEBBINS: Yes, it was
14 a very lonely hearing. Mr. Chair, I'd move
15 that the Commission approve the amended Small
16 Business Impact Statement, the final version
17 of 205 CMR 152 that's included in the packet,
18 and authorize the staff to take all of the
19 steps necessary to file a regulation with the
20 secretary of the Commonwealth and complete the
21 regulation promulgation process.

22 CHAIRMAN CROSBY: Second?

23 COMMISSIONER CAMERON: Second.

24 CHAIRMAN CROSBY: Further

1 discussion? All in favor? Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER ZUNIGA: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes
6 have it unanimously. All right.

7 MS. WELLS: The second item on the
8 agenda, Mr. Chair, is listed as licensee
9 outside director background checks. So that
10 is a matter that you brought to my attention
11 you wanted us to look into. Where in the
12 casino licensees, so this is not all
13 licensees. Not the primary vendors, secondary
14 vendors, any of our employees, but for the big
15 casino licensees, in our case Penn, Wynn and
16 MGM.

17 You know, the question was, how are
18 outside directors treated for those companies?
19 And we used our consultants, the law firm of
20 Michael & Carroll to do an analysis of how
21 those are treated in other jurisdictions
22 currently. We treat those outside directors
23 similar to inside directors so everyone's
24 captured as far as requiring qualification by

1 the Commission. So just as a review, I'll go
2 through the chart that's presented to you and
3 in the packet.

4 In New Jersey, all directors are
5 required to be qualified that are subject to
6 waiver by the director of the Division of
7 Gaming Enforcement on an individual basis,
8 depending on their degree of influence and
9 control. So the DGE, that's my counterpart in
10 New Jersey.

11 In Pennsylvania, all directors in a
12 privately-held company must qualify for
13 publicly-traded companies. Only those outside
14 directors who serve on the audit committee are
15 the chairman of the board. However, the
16 gaming board in its discretion may determine
17 that any director must qualify.

18 In Illinois, no distinction is made
19 between inside and outside directors. All
20 persons in the Board determines exercise
21 control and influence must qualify. So that's
22 similar to what we have now.

23 CHAIRMAN CROSBY: Excuse me, Karen.
24 I forget whether this was made clear in what

1 Michael -- but when it's -- when you refer to
2 qualified, does it mean get the --

3 COMMISSIONER ZUNIGA: A full
4 background check.

5 CHAIRMAN CROSBY: The full back --

6 MS. WELLS: Correct.

7 CHAIRMAN CROSBY: It means the
8 personal -- whatever that document's called.

9 MS. WELLS: The multijurisdictional
10 personal history disclosure form. Correct.

11 COMMISSIONER STEBBINS: And the
12 Massachusetts supplement.

13 MS. WELLS: Correct.

14 COMMISSIONER ZUNIGA: In our world.

15 CHAIRMAN CROSBY: In our world.

16 Yeah, right. Okay.

17 MS. WELLS: That's right. In
18 Indiana, the Commission must approve all
19 substantial owners, key persons, or any other
20 persons that the Commission deems necessary.
21 Key persons are defined to include directors.
22 Michael & Carroll were advised by the
23 commission in Indiana that it does not
24 distinguish between inside and outside

1 directors, except that outside directors are
2 usually not required to have a face-to-face
3 interview. So that's at the discretion of the
4 investigators.

5 In Missouri, all directors are
6 treated exactly the same, whether inside or
7 outside.

8 And in Michigan, all inside
9 directors are required to be qualified.
10 Outside directors are reviewed on a
11 case-by-case basis, depending on their role,
12 and they can file a limited disclosure.

13 So based on my conversations with
14 you, I know you've had conversations with some
15 executives from our casinos, you know, there's
16 differing interest on whether or not you want
17 to follow one model or the other. One of --
18 you know, the reason that you would not want
19 to necessarily capture all the outside
20 directors from our licensees is that it can be
21 difficult to hire folks to be outside
22 directors because they don't want to go
23 through the rigorous background check.

24 There are also reasons to capture

1 them and to have them go through suitability.
2 This is our highest level of licensure. It's
3 above what we do for the primary vendors,
4 above secondary. So, you know, because they
5 are at that the highest level of licensure and
6 these are our three casinos that operate in
7 Massachusetts, the reason to capture would be
8 -- you would get the full vetting of the
9 highest level of decision-makers at the
10 company.

11 Additionally, you'd have a -- you
12 know, barrier to entry for those with
13 problematic criminal pasts. If we're not
14 looking at them we can't say, one way or the
15 other, whether they can be members of the
16 Board of Directors. And also, it does give
17 the regulatory agency a better understanding
18 of the company based on who they're selecting.
19 They may view critical areas and -- in their
20 company and see needs to cover. For example,
21 Wynn having that outside director from -- that
22 had experience in China that helps you
23 understand how the company values those
24 different kinds of qualifications.

1 The other issue just to bring to
2 your attention, you know, in some
3 jurisdictions there's some discretion given.
4 They look and say, well, you can decide based
5 on influence and control. Just as a caveat
6 for your consideration, degree of influence
7 and control may be something that might change
8 over time. So it might be a moving target.
9 Karen Wells at one time might not have much
10 influence or control, but a year, two, three
11 years down the road that might change. They
12 may have more influence and control. And that
13 may be hard for the Commission to monitor,
14 particularly if they're not a qualifier and
15 they are not subject to self-reporting.

16 So there's certainly pros and cons
17 to both -- to both sides. I think the chair
18 just wanted to put this on the table for some
19 discussion to see if there's any -- any
20 interest in any further discussion on this
21 issue and some options what the Commission may
22 or may not decide to do.

23 Currently, for our primary
24 vendors -- you know, we have a caveat that we

1 can capture anyone, but the -- similar to --
2 which one is it? I think it -- I forget which
3 one it is. Yes. Sort of similar to
4 Pennsylvania. If you're on the audit
5 committee or the compliance committee, you're
6 captured. If you're an outside director
7 that's not, you may not be captured. So
8 that's...

9 CHAIRMAN CROSBY: For our primary
10 vendors?

11 MS. WELLS: Primary vendors. So we
12 have -- that's the next level down from the
13 casino -- the casino licensees. The Chair
14 wanted to have this discussion. This is the
15 information we have. I'm curious as to your
16 thoughts.

17 COMMISSIONER CAMERON: Director,
18 have you heard from our licensees that this is
19 an issue for -- for them in particular; have
20 they brought this to our attention that
21 they're having difficulty because of this?

22 MS. WELLS: I have heard that, yes.

23 COMMISSIONER CAMERON: You have.

24 Okay.

1 MS. WELLS: Well, let me -- I think
2 the Chair spoke to someone at Penn National.
3 There was an -- there's certainly pushback
4 that, you know, why do these folks have to
5 qualify? You know, point to Wynn, where Wynn
6 is only operating in Nevada and Massachusetts
7 so there's a different setup. Where someone
8 would not have to be qualified in Nevada, they
9 would have to be qualified in Massachusetts.

10 CHAIRMAN CROSBY: It came up to me
11 because Tim Wilmont, who was then the
12 president and CEO of Penn brought it up at a
13 panel and I -- when I was on a panel and we
14 were talking about something or other. And he
15 stood up and said, if I could make one change,
16 this is the change I would make. That doesn't
17 mean we should do it, but that was where it
18 came from. That got me thinking about it and
19 I wanted to -- I just wanted to explore it.

20 COMMISSIONER ZUNIGA: He's still the
21 CEO, right?

22 MR. BEDROSIAN: He's CEO not
23 president now.

24 CHAIRMAN CROSBY: Yeah. He's --

1 right. He's chair and CEO, I think, or
2 something. Yeah. So that's -- that was where
3 it came -- that's where it originally came
4 from.

5 COMMISSIONER ZUNIGA: Yeah. I think
6 this is a great summary. Thank you for that
7 research. I really like the Pennsylvania
8 approach. I think the distinction between a
9 private and a public company here is key.
10 There's a lot of scrutiny that already exists
11 on public companies that's available for
12 anybody who wants to know -- who knows where
13 to look.

14 CHAIRMAN CROSBY: Could you -- do
15 you know what that is exactly? Like I -- I
16 was just going to ask. Does anybody really
17 know what kind of vetting public company
18 directors go through?

19 COMMISSIONER ZUNIGA: Well, there's
20 a lot of public information -- information
21 that's available publicly about them. If
22 there's any compensation, you would know it.
23 Any kind of information about them in terms of
24 experience, it would be available. If they

1 own stock or any kind of options, which is not
2 very common in directors, any time they sell
3 or buy would be available, which is always a
4 big indicator for stock analysts, as to
5 whether there's, you know, something that they
6 know, or there's some kind of control, et
7 cetera.

8 CHAIRMAN CROSBY: Does SEC do any
9 vetting? I mean, there's a self-regulation in
10 a public company which is obvious. If you put
11 a stink ball on your Board you've got a
12 problem, a public problem. So I'm sure that
13 has an impact on the nature of the background
14 checks that the public company does itself.
15 But does the SEC or any of the regulatory
16 agency exercise any discretion?

17 MS. WELLS: I think that
18 Commissioner Zuniga's correct. Sort of
19 that -- that lens from the -- sort of the
20 financial side. I think the difference would
21 be the legislation in gaming, for gaming
22 statutes, it's that suitability and that
23 component of criminal background, criminal
24 associations, honesty, integrity, good

1 character, they're not looking at it with that
2 lens. So they're looking at it from more of a
3 financial lens. I don't know if you'd agree
4 with me.

5 COMMISSIONER ZUNIGA: Yeah, that's
6 totally correct. There's not necessarily a
7 background check of directors that anybody --
8 that the SEC does. Fundamentally, it's --
9 they regulate how public companies disclose
10 publicly, you know, a lot of their
11 transactions. And that includes, you know,
12 names and -- you know, of directors and again,
13 insider transactions if there's stock
14 ownership and whatnot. But there's also a lot
15 of -- de facto, a lot of public information
16 available about these individuals that are
17 again, available to -- on all kinds of
18 websites, financial websites that -- you know,
19 that we can look at.

20 And the distinction to private
21 companies where it is fundamentally not,
22 which, you know, is what they're doing.
23 They're subjecting every private company
24 director to the regular qualification. And I

1 think that's a great -- I mean, still has the
2 caveat of the discretion which, you know, is
3 sort of a like a belts and suspender.

4 In our world, because we have three
5 licensees that are three public companies has
6 a real implication.

7 CHAIRMAN CROSBY: Right.

8 COMMISSIONER ZUNIGA: But I think
9 their approach is -- is one that brings -- to
10 me, is a great approach.

11 COMMISSIONER CAMERON: Yeah. If we
12 were going to make a change. That's why my
13 first question was, has anyone -- you know,
14 has anyone expressed a concern about this?
15 Obviously, doing what we do now gives us the
16 most information, right, about the integrity
17 and all the things that we're interested in.
18 But if we were going to make a change, I too
19 thought the Pennsylvania model was the better
20 of all of them, because, you know, audit and
21 chair -- and the chair, very important.

22 And to your point, Director, about
23 changing responsibilities, you do have that
24 discretion to -- to have any director qualify.

1 So I agree with Commissioner Zuniga, that if
2 we think this is a necessary change, that's
3 the model that does protect those really
4 important responsibilities and gives IEB the
5 discretion. You know, they could receive some
6 information about someone and it might be
7 serious in nature and at that point require a
8 qualification. So if we were going to, I
9 thought that made the most sense as well.

10 CHAIRMAN CROSBY: I'd be interested
11 in now throwing it open to get other people to
12 comment. You know just -- I think we should
13 treat this like you're doing the budget. You
14 know, just -- it's not I wish, I want, I get,
15 you know. It's is there real good -- are
16 there really good arguments for this? And
17 if -- maybe Tim Wilmont just sort of threw it
18 out, he doesn't really care that much. I'd
19 like to know what Scott Harshbarger said.
20 He's sort of an expert, you know, in corporate
21 governance issues. Be kind of interested in
22 his perspective.

23 So Elaine, I think we want to, you
24 know, make a widespread -- let's let our

1 licenses know that we'd like to hear from
2 them, either in writing or in person, for that
3 matter, and anybody else that we can think of
4 that might want to weigh in on this. My mind
5 is not made up on it. I just think it's
6 interesting and worth talking about. So why
7 don't we give it another couple of weeks, at
8 least, and see what we get in terms of
9 interest in commenting on this.

10 COMMISSIONER CAMERON: Thank you.

11 COMMISSIONER ZUNIGA: Yeah, thank
12 you. And it's also worth noting --

13 CHAIRMAN CROSBY: And you'll make --
14 I'm sure they're watching, but you'll make
15 sure the licensees --

16 MR. BEDROSIAN: Yeah. We will -- we
17 will figure out whether we need to do it, sort
18 of, externally MGC comments or really this is
19 more of a target audience. But we'll figure
20 that out.

21 CHAIRMAN CROSBY: Yeah.

22 COMMISSIONER ZUNIGA: And you know,
23 for at least MGM and Penn, what we do here may
24 not necessarily mean much because if they

1 still have to --

2 MS. WELLS: Right.

3 COMMISSIONER ZUNIGA: -- you know,
4 they still have to be qualified in Michigan
5 because they're still operating in Michigan or
6 in West Virginia because they're also there.

7 CHAIRMAN CROSBY: But there is --

8 COMMISSIONER ZUNIGA: But I think
9 it's a good exercise, you know, for us to kind
10 of think about where we can do what's -- what
11 we feel is most effective and efficient.

12 That's where we're getting the bang for our
13 buck. And it probably bears mentioning that
14 we did what we did with -- for everybody who's
15 currently there, and this would -- if we do
16 anything that changes, it would be for new
17 directors coming in.

18 CHAIRMAN CROSBY: Right.

19 MS. WELLS: Well, that's an
20 interesting question for the Commission to
21 consider. So hypothetically, we have outside
22 directors who are qualified. Do they have to
23 keep being qualified? We still have not done
24 a renewal term for qualifier so just bear that

1 in mind as we consider that.

2 CHAIRMAN CROSBY: Well --

3 COMMISSIONER ZUNIGA: And many of
4 them have terms that sometimes get renewed
5 often.

6 MS. WELLS: Well, the Commission
7 still has not determined a term limit for
8 qualifiers for the casino licenses.

9 COMMISSIONER ZUNIGA: No. I meant
10 their board membership.

11 MS. WELLS: Yeah, I believe so. I'd
12 have to look at each individual corporation
13 and how that sets it up but...

14 COMMISSIONER ZUNIGA: Right. They
15 have different bylaws that, you know, elect
16 their members in different ways.

17 MS. WELLS: Right.

18 CHAIRMAN CROSBY: I mean, at this
19 stage of the game they're qualifiers period.
20 And we'll follow your lead, I think, on what
21 you feel about renewals.

22 MS. WELLS: Okay.

23 CHAIRMAN CROSBY: Okay.

24 MS. WELLS: Next item on the agenda

1 is license and registration forms. As you may
2 recall, when we did the revamp of the 134
3 regs, this is a change in that it used to be
4 that the Commission had in regulation every
5 little detail of everything that was in the
6 form.

7 The reg was changed so that it sort
8 of had the -- it had the requirements by
9 statute that left it up to discretion of the
10 director of licensing to put together the
11 form, but the forms still have to come to the
12 Commission for approval.

13 So we -- I'll turn it over to
14 Director Connelly just to review with you the
15 process and where we are, particularly, in
16 light of our preparation for the openings of
17 the casinos, which are coming down the pike.

18 MR. CONNELLY: Thank you, Karen. So
19 it's spring cleaning time. Time to refresh
20 the forms.

21 CHAIRMAN CROSBY: Do you, by any
22 chance, have these in redline? Is there a way
23 for us to see --

24 MR. CONNELLY: So I can -- let me --

1 these are in front of you today really as in
2 the first stage for review. We're not --
3 there's no vote today.

4 CHAIRMAN CROSBY: Yep.

5 MR. CONNELLY: To present them in
6 redline would be a challenge.

7 CHAIRMAN CROSBY: Okay.

8 MR. CONNELLY: Primarily, because we
9 did a number of changes, many of which were
10 formatting an order. When I internally tried
11 to manage the difference in track changes it
12 quickly became untenable.

13 CHAIRMAN CROSBY: Okay. All right.

14 MR. CONNELLY: So I'm happy to walk
15 through in any level of detail that you want
16 what we changed, we can go back because I have
17 previous versions. We can obviously do that
18 but --

19 CHAIRMAN CROSBY: Well I -- I'm
20 sorry to interrupt you.

21 MR. CONNELLY: Sure.

22 CHAIRMAN CROSBY: But I think -- I
23 think we probably would want you to give us
24 the highlights.

1 MR. CONNELLY: Absolutely.

2 CHAIRMAN CROSBY: Go through
3 everything. And then we'll take -- we'll on
4 our own take the time over the next few weeks
5 to --

6 MR. CONNELLY: Perfect.

7 CHAIRMAN CROSBY: -- look side by
8 side.

9 MR. CONNELLY: And that was the goal
10 today. So if I -- if I may, and I'll step
11 back a little bit. And I think you've heard
12 me mention this before but the licensing forms
13 are a tool, right, they're a tool to collect
14 information that we use. And there's really
15 two purposes for the information we collect.

16 One of which is to uniquely identify
17 someone and stay in contact with them. So who
18 are they? How do we make sure we know that
19 this is one unique individual that we'll see
20 over time? And secondly, how do we stay in
21 touch with this person?

22 Secondly, the rest of the
23 information is to support the background
24 investigation. These are privileged licenses.

1 There's obviously, you know, the regs and the
2 statutes state a number of qualifications that
3 people must reach in order to attain
4 licensure.

5 And so, those are the two buckets,
6 so to speak, of information we're trying to
7 collect. What we did was, we went through the
8 process first of stepping back and saying, are
9 we getting the information we need? And so,
10 Karen and I sat down on a number of occasions
11 with various members of the team and
12 discussed, are we getting all the information
13 we need? Is there anything we want to add?
14 Is there anything that, frankly, in our
15 experience, just has been, you know, blank on
16 virtually every form, and we found a few of
17 these so we've eliminated some things.

18 We went through and made an attempt
19 to creating consistency across the forms. So
20 the forms asked, you know, across different
21 levels of licensure and registration, many of
22 the same questions, but sometimes in different
23 orders, sometimes slightly differently based
24 on they just -- the organic way that these

1 forms were first created and evolved. So
2 we've worked to create some consistency. And
3 I didn't put it in the packet so I'm not going
4 to show it. And it's small enough you can't
5 see. But I mean, this was kind of an attempt
6 at breaking out all the elements of
7 information across the forms and making a
8 consistent way to present that information to
9 those questions.

10 Finally, we wanted to simplify and
11 streamline the questions wherever possible.
12 This one actually presented, probably, the
13 biggest challenge because we had made an
14 attempt at plain English as much as possible,
15 but we wanted to make sure we didn't do it at
16 the expense of precise questions, and also
17 taking away from the seriousness of certain
18 questions. So it's not as simple as I would
19 like, I'll be honest, but we certainly made an
20 attempt and looked at every single question.

21 We also added some simple tools.
22 Like, for example, the ability to check off
23 N/A for not applicable. In the past, you
24 know, an area of confusion was folks -- we'd

1 ask folks to write that in. Now we've given
2 everyone the option on relevant questions to
3 check, hey, this question does not apply to
4 me. Makes it easier on the applicant, makes
5 it easier on licensing and IEB to review the
6 forms and understand them.

7 To give you a very, again, the high
8 level kind of strategic view, we have added a
9 few things, including, for example, a driver's
10 license number. And that's -- that's one that
11 seems pretty simple but has some big impact in
12 the future world, which is where this is all
13 really going.

14 So assuming, you know, that you okay
15 the addition of driver's license number in a
16 future meeting as an addition to the form,
17 first thing we'll do is add that to LMS,
18 right, the online system, how we're going to
19 collect all of our license applications, or
20 the vast majority of them in the future.

21 That's important because in the
22 original, kind of, setup the information we
23 use to identify someone, that's all that
24 information that in LMS we're going to collect

1 by data entry. Someone's going to sit down
2 and enter that data precisely and accurately
3 so that we can use that for a number of
4 different -- number of different reasons. Not
5 only to, kind of, create a master record and
6 report on someone, but also, and in this case
7 with driver's license number by the individual
8 themselves entering it, it's going to save the
9 investigators a couple of steps on every
10 single application.

11 Right now, what they would do is
12 they'd look at a person's background. They'd
13 pull a driver's license number, if they wanted
14 to look at a license history they'd have to
15 then manually enter it and run that query. By
16 the applicant themselves entering it, we can
17 automatically populate that, save literally
18 two steps on every single application. You
19 know, as a one-off it doesn't sound like much,
20 but when we're thinking of the, you know,
21 thousands of applications we'll be going
22 through with the opening of MGM and Wynn, it's
23 going to save significant time and also
24 increase accuracy. So those are two things

1 that we're -- we're always thinking about.

2 We've added just a few other fields
3 that are not, you know, frankly hugely
4 intrusive, including residence -- if you've
5 had a residence in another state or country
6 since the age of 18, something that wasn't
7 always apparent, but sometimes we'd have to
8 again be kind of divine from other
9 information. Like I went to college in
10 California. You know, that's good to know
11 because you obviously have a significant
12 history as an adult in California. You know,
13 we want to see that.

14 And we have removed a number of
15 items, including references on the key
16 standard form. It was just determined that
17 those were not producing great value. And,
18 you know, so -- and sometimes people -- some
19 folks might struggle, you know, to get three.
20 Surprising but, you know, it can happen. And
21 so, we determined that that wasn't -- that
22 wasn't really bearing fruit and so we're
23 suggesting, in the iteration you see to
24 eliminate it.

1 And also, another good example of
2 that is in the GEL form as it stands, the
3 Gaming Employee License Application Form we
4 ask for offices and positions. In our -- you
5 know, do you hold a specific, you know, office
6 elective or not, or a named position? And in
7 our experience, that is virtually always
8 blank. So it's just not -- it's not a -- it's
9 not a high-value question, to be honest, so we
10 felt it was -- it was reasonable to eliminate
11 it for the sake of expediency and, frankly,
12 eliminating one question that the applicants
13 would have to consider.

14 The forms again, there are three. I
15 have spoken almost exclusively about the
16 employee forms, but there also is the NGV
17 form, the Nongaming Vendor Registration Form
18 in your folder. We've made a number of
19 streamlining efforts there, including
20 eliminating redundant questions. And -- but
21 one thing we've done across all of them is try
22 to simplify the instructions. We've cut them
23 in half. They were -- they are currently -- I
24 keep saying previously as if it's a fait

1 accompli. I know it's not, but they're
2 currently pretty dense and it's, you know,
3 kind of imposing when you go through them.

4 My real-world expectation is that
5 people don't read them. I know I probably
6 wouldn't read them. You know, I -- I'm one of
7 those people that doesn't read the terms and
8 conditions, right, but when something's
9 presented to me in a few bullets, the
10 highlights, I'll read it. And that's what
11 we've attempted to do, is we've attempted to
12 both provide in the instructions and some of
13 what I call the caveats, the high-level
14 information that we think is most important
15 for people to know as they complete the form
16 and also about the process.

17 So for example we left, virtually in
18 their entirety, the fingerprinting and
19 background investigation information. Why?
20 Because that's important. People should know
21 what they're entering into when they complete
22 and submit this form.

23 So that's really what we attempted
24 to do. Again, streamline, rationalize, make

1 more consistent these forms all with an eye
2 towards -- again, these are paper forms, when
3 we transition to LMS, which should be coming
4 this spring, and I look forward to talking
5 about that, you know, sometime hopefully
6 sooner rather than later when we have that
7 live, or if you so choose sometime sooner,
8 we'll take that form as you see it, excise the
9 information that we'll collect through data
10 entry and LMS, and upload those forms as kind
11 of those -- the fillable PDF portion of LMS
12 that supports the background. So this is step
13 one in a -- probably a two-step process of
14 modernizing the forms.

15 CHAIRMAN CROSBY: Great. Questions?
16 Thoughts?

17 COMMISSIONER STEBBINS: Paul, thank
18 you -- thank you and your team for going
19 through this exhaustive exercise. I had a
20 chance to review the forms with Paul
21 yesterday. And just again to highlight, you
22 know, to highlight, you know, it would be
23 great if we could find a way to condense the
24 authorization for the DOR access with the

1 other access question, the release
2 authorization, see if we can combine that and
3 then --

4 CHAIRMAN CROSBY: What was -- DOR,
5 is that what you said?

6 COMMISSIONER STEBBINS: Yeah. Take
7 the DOR authorization page and the release
8 authorization page, see if there's a way to
9 just kind of combine that a little bit.

10 MR. CONNELLY: Sure.

11 COMMISSIONER STEBBINS: But
12 otherwise, great job. Appreciate the time and
13 effort. A quick question, though. You
14 pointed out taking out the reference piece
15 and --

16 MR. CONNELLY: Correct.

17 COMMISSIONER STEBBINS: You're never
18 usually going to list somebody who's going to
19 say something bad about you, obviously, but
20 how does that -- does that have any impact on
21 investigative IEB work, in terms of seeing who
22 people are associated with, or is it too much
23 of a stretch?

24 MS. WELLS: Generally, not at this

1 level. So you remember the GKS form, these
2 are sort of that supervisor level. So I mean
3 it's just reality. Karen Wells, even if she's
4 friends with somebody in the mob next door
5 she's not going to put that person up. It's
6 just reality. We're being practical here.

7 COMMISSIONER STEBBINS: Okay.

8 MS. WELLS: And so, what we're
9 finding because we also use the GKS form for
10 primary vendors, you know, it -- it becomes
11 onerous on the investigator to -- you know,
12 they send an e-mail, they ask for the
13 reference, they have to wait for it back.

14 You know, particularly where we've
15 got an opening coming up and we're looking
16 for, where do you get your bang for your buck?
17 This takes up investigator's time. And, you
18 know, we've had a body of work now and ability
19 to evaluate it. You know, if there are things
20 that we want to streamline, this comes at one
21 of the top of the list there because it takes
22 a significant amount of time to get this. It
23 may delay the investigation because you're
24 waiting for these to come back. And, you

1 know, we haven't had any issues where it's
2 really borne fruit so it's just a data
3 analysis. You do it. You find out what you
4 get for it, you do an evaluation and then you
5 modify and keep going.

6 COMMISSIONER ZUNIGA: Sounds very
7 reasonable to me. I -- did you have a
8 question, Commissioner? I was going to --

9 COMMISSIONER CAMERON: I do, but you
10 wants to go first? Go ahead.

11 COMMISSIONER ZUNIGA: Sure. Well, I
12 had a high-level question, and I look forward
13 to understanding more of the details in
14 between now and when we eventually come back
15 and approve these forms. At a high level,
16 what is the difference between the SER the way
17 it currently stands and the GEL? They struck
18 me as, side by side, quite similar.

19 MR. CONNELLY: Between the SER and
20 the GEL?

21 COMMISSIONER ZUNIGA: And the GEL,
22 yep.

23 MR. CONNELLY: So they -- they are,
24 you know, pretty similar, but there's

1 additional information on the GEL, for
2 example, regarding some ownership and
3 financial interests in companies, financial
4 judgment information. You know, there's
5 antitrust.

6 COMMISSIONER ZUNIGA: Oh, it comes
7 in the back, yeah.

8 MR. CONNELLY: Some of those, as
9 well as we do -- you know, in supplemental or
10 the addenda so to speak, we do ask for the
11 certification of filing of taxes on the GELs.

12 CHAIRMAN CROSBY: Okay.

13 COMMISSIONER CAMERON: Director
14 Connelly, I had a question about your
15 Statement of Truth and Acknowledgment with
16 these forms. There's been questions about
17 whether someone really understands when they
18 fill out information that there -- there
19 really are consequences for false or
20 misleading information. Did you add the line
21 about "I understand if I have questions I
22 should ask," or was that always there?

23 MR. CONNELLY: That -- it wasn't
24 there as explicit.

1 COMMISSIONER CAMERON: Okay. So you
2 did strengthen this page?

3 MR. CONNELLY: We did. We did. We
4 did. And just as a -- just a point of total
5 clarity, there's a Statement of Truth and
6 Acknowledgment on the NGV form.

7 COMMISSIONER CAMERON: Yes.

8 MR. CONNELLY: Because they
9 acknowledge that we may, in the future,
10 request fingerprints. On the service employee
11 and the gaming employee and the key it's a
12 truth and consent form, because by virtue of
13 filling it out they're consenting to be
14 fingerprinted as part of the process. So I
15 just as a --

16 COMMISSIONER CAMERON: Correct. But
17 I read this page and I don't think there's
18 any -- there's any issue. I mean, I think
19 it's very clear that the information must be
20 accurate and there are consequences, if you
21 provide false or misleading information. So
22 I'm glad you added that. And you just call
23 and ask if you have a question. Right?

24 MR. CONNELLY: Right.

1 COMMISSIONER CAMERON: That's
2 clearly stated here. So I'm hopeful people
3 will understand that means take the time and
4 fill it out accurately.

5 MR. CONNELLY: Absolutely. And as
6 you continue to go through and review them, if
7 there's anywhere where something could be more
8 explicit, that's always, you know, of primary
9 concern to us. We want to make sure that when
10 anyone is filling out this form they know
11 exactly what they're entering into.

12 COMMISSIONER CAMERON: Okay. Thank
13 you.

14 MR. CONNELLY: Thank you.

15 COMMISSIONER CAMERON: Changes look
16 excellent. Thank you for being this
17 thoughtful about it and trying to improve --
18 continuous improvement here.

19 CHAIRMAN CROSBY: So are we putting
20 these out now for public comment? I mean,
21 they're out there so...

22 MR. CONNELLY: They're out there,
23 yeah, but we weren't anticipating public
24 comment on them.

1 MS. WELLS: Director Connolly did
2 reach out to the licensees for their comments
3 on these already.

4 CHAIRMAN CROSBY: Okay. Good.

5 MS. WELLS: So that's been
6 incorporated.

7 CHAIRMAN CROSBY: Okay. Great.
8 Great.

9 MR. BEDROSIAN: So I think we give
10 the Commission, you know, a couple more weeks
11 to have conversations with Director Connolly
12 on any outstanding issues and we bring them
13 back for final approval at the next meeting.

14 CHAIRMAN CROSBY: Fine.

15 MR. CONNELLY: And just for the
16 record, earlier Karen said if you got friends
17 in the mob and motioned this way, she wasn't
18 motioning to me. That was purely
19 illustrative.

20 COMMISSIONER STEBBINS: We can take
21 care of that.

22 CHAIRMAN CROSBY: Okay. Is that it
23 for you?

24 MS. WELLS: That's it, sir.

1 CHAIRMAN CROSBY: Thank you very
2 much.

3 COMMISSIONER CAMERON: Thank you
4 both.

5 COMMISSIONER ZUNIGA: Thank you.

6 MR. CONNELLY: Thank you.

7 CHAIRMAN CROSBY: Do we want a
8 break, or we going to go ahead? Go ahead?

9 COMMISSIONER CAMERON: I'm fine.

10 COMMISSIONER ZUNIGA: Fine.

11 CHAIRMAN CROSBY: You all right?

12 THE COURT REPORTER: (nodding her
13 head up and down)

14 CHAIRMAN CROSBY: So
15 Director Lightbown.

16 MR. BEDROSIAN: Mr. Chairman, while
17 they're getting ready I just -- one of the
18 things I failed to mention in my
19 administrative update, by -- I think it's
20 either statute or regulation, we release the
21 previous month's gross gaming revenue for
22 Plainridge on the 15th, but because the 15th
23 is a Saturday under our regulation we go to
24 the next business day. This month in

1 particular because we have a Monday holiday
2 would be the longest gap between the 15th and
3 the next day, but our communications director,
4 Ms. Driscoll, will be releasing those on the
5 18th.

6 CHAIRMAN CROSBY: Okay. Great.

7 MS. LIGHTBOWN: Good afternoon.

8 CHAIRMAN CROSBY: Good afternoon.

9 COMMISSIONER CAMERON: Good
10 afternoon.

11 COMMISSIONER ZUNIGA: Good
12 afternoon.

13 COMMISSIONER STEBBINS: Good
14 afternoon.

15 MS. LIGHTBOWN: Before we get
16 started on our agenda items, I just wanted to
17 thank Steve O'Toole and Don Longabody from
18 Plainridge for all their help with getting the
19 meet up and running. There's a number of
20 different things that we do to get it up and
21 going, and we got great cooperation as usual
22 with them.

23 CHAIRMAN CROSBY: Good.

24 COMMISSIONER CAMERON: Great.

1 MS. LIGHTBOWN: Our first item up
2 is --

3 CHAIRMAN CROSBY: We heard quite a
4 bit about your opening day, too which sounded
5 like it was quite a success.

6 MR. O'TOOLE: Yeah. One of the
7 biggest comments was on the Twitter feed that
8 Elaine put out with Mike's video in the --
9 from the starting cart.

10 CHAIRMAN CROSBY: Oh. Yeah.

11 COMMISSIONER CAMERON: Oh. Was that
12 one of the biggest --

13 MR. O'TOOLE: I got a lot of
14 feedback on that, yeah.

15 CHAIRMAN CROSBY: Great.

16 MR. O'TOOLE: Was something new.
17 Something different.

18 MR. BEDROSIAN: Put Mike in the
19 starting cart, he took a video.

20 CHAIRMAN CROSBY: Mike?

21 MR. BEDROSIAN: Mike.

22 MS. LIGHTBOWN: Mike Sangalang came
23 down.

24 CHAIRMAN CROSBY: Yeah. No, I know.

1 Elaine was just making it clear that Mike was
2 responsible for that.

3 MR. O'TOOLE: Yeah.

4 COMMISSIONER CAMERON: Yes.

5 CHAIRMAN CROSBY: Getting it out
6 there, yeah.

7 MR. O'TOOLE: Yeah.

8 CHAIRMAN CROSBY: Great.

9 MR. O'TOOLE: So it was different.
10 So anytime anything different happens, you
11 know, you usually hear about it.

12 CHAIRMAN CROSBY: Yeah. Great.

13 MS. LIGHTBOWN: The first item is
14 Plainridge Racecourse's request for their
15 special events. This is a annual item on the
16 agenda. It's per the simulcast regulations
17 128C. There's a list of the 15 different
18 events they'd like to do, and my
19 recommendation is that the Commission approve
20 that request.

21 CHAIRMAN CROSBY: Okay.

22 Commissioner?

23 COMMISSIONER CAMERON: Yeah. I
24 agree with that and move that the Commission

1 approve the request of Plainridge Park Casino
2 to simulcast the 15 races listed on their
3 letterhead April 8th as special events.

4 COMMISSIONER STEBBINS: Second.

5 CHAIRMAN CROSBY: I forget the
6 significance of that. Why do we have to give
7 special approval. You're simulcasting races
8 all over the place. Why do we have to give
9 special approval for these?

10 MR. O'TOOLE: Under the statute
11 we're allowed to take 15 special events. And
12 it was placed in there because of the
13 restrictions that we were under when Suffolk
14 was racing an entire live meet.

15 CHAIRMAN CROSBY: Oh.

16 MR. O'TOOLE: So a lot of these
17 races we wouldn't be able to take because of
18 these restrictions. That we would only be
19 able to take two tracks while Suffolk Downs
20 was racing live.

21 CHAIRMAN CROSBY: Oh, I see.

22 MR. O'TOOLE: So if a special race
23 was being held at a third track that
24 particular day, we wouldn't be able to carry

1 it. So that really doesn't apply that much
2 anymore, unless some of these races fell on
3 Suffolk Downs live --

4 CHAIRMAN CROSBY: Six days.

5 MR. O'TOOLE: Six days.

6 CHAIRMAN CROSBY: Okay.

7 MR. O'TOOLE: But these races are
8 also premium free so we still apply --

9 CHAIRMAN CROSBY: Are what?

10 MR. O'TOOLE: Premium free. So we
11 don't have to pay a premium to Suffolk on
12 special events. So it's still significant
13 that I apply for the 15 races to help the
14 bottom line.

15 COMMISSIONER ZUNIGA: Yeah. Which,
16 in return they were able to do as well and
17 they have done in the past.

18 MR. O'TOOLE: Correct.

19 COMMISSIONER ZUNIGA: And that's why
20 you have some of the notable races around the
21 country where there's a lot of interest, like
22 the Kentucky Derby and the Belmont Stakes and
23 such. That's a special race.

24 COMMISSIONER CAMERON: Are we doing

1 a second?

2 CHAIRMAN CROSBY: Yeah.

3 COMMISSIONER ZUNIGA: There was
4 there was a second already.

5 CHAIRMAN CROSBY: So a bunch of them
6 are different races on the same day. That's
7 interesting, at The Breeder's Cup.

8 COMMISSIONER CAMERON: Yeah.

9 CHAIRMAN CROSBY: Okay. You want
10 to --

11 COMMISSIONER CAMERON: We have a
12 motion and a second.

13 CHAIRMAN CROSBY: Hold it. I'm
14 sorry, there's a second. Any further
15 discussion? All in favor? Aye.

16 COMMISSIONER STEBBINS: Aye.

17 COMMISSIONER CAMERON: Aye.

18 COMMISSIONER ZUNIGA: Aye.

19 CHAIRMAN CROSBY: Opposed? The ayes
20 have it unanimously.

21 MR. O'TOOLE: Thank you,
22 Commissioners. Thank you.

23 COMMISSIONER CAMERON: Thank you.

24 MS. LIGHTBOWN: And next up,

1 Doug O'Donnell will go through a couple of
2 other -- of our routine housekeeping issues
3 that come up with racing.

4 MR. O'DONNELL: Hello again.

5 COMMISSIONER CAMERON: Hello again.

6 CHAIRMAN CROSBY: Welcome back.

7 COMMISSIONER ZUNIGA: Doug,
8 before -- before you go it just occurred to
9 me, will these carry on to next year, these
10 special events sort of -- even though -- have
11 they changed with the number of race days
12 changing? When they went -- they have been
13 going up. There's going to be a new amount of
14 days next year. Has it is always been 15
15 days?

16 MS. LIGHTBOWN: Yes. It's right in
17 the statute, 15 days. And so, you know, that
18 gives them a opportunity to get most of the
19 big races.

20 COMMISSIONER ZUNIGA: Right.

21 MS. LIGHTBOWN: Like Steve said, a
22 lot of them they might be able to carry
23 anyway, but this gives them, you know, the
24 definitive, you know, you can carry this on

1 this day, regardless of what other signals
2 you're taking.

3 COMMISSIONER ZUNIGA: Right.

4 MS. LIGHTBOWN: The simulcasting
5 laws, as you're aware, get very specific about
6 how many signals you can take and what times
7 and -- versus live racing and not. So this
8 is -- kind of clarifies those 15 races.

9 MR. DAY: Okay. The first item I
10 have with you is the 2015 reimbursement of the
11 unclaimed tickets for both the horse tracks
12 and the dog simulcasting tracks. You had
13 approved these dollar amounts to be submitted
14 to the Commission a few weeks ago. And they
15 have submitted their checks, they've cleared,
16 and now we're in front of you to get your
17 approvals to send the checks -- or submit the
18 checks back to the tracks.

19 For Sterling Suffolk, the total
20 dollar amount is \$208,279.26. Plainridge
21 Racecourse is \$158,701.82. Wonderland
22 Greyhound Park is \$17, 261.75. And Raynham
23 Taunton Greyhound is \$180,953.94. And again,
24 we will need your approval on this.

1 COMMISSIONER CAMERON: So Mr. Chair,
2 I move that we approve the request to
3 distribute the checks from Sterling Suffolk
4 Downs, Plainridge Racecourse, Wonderland
5 Greyhound Park, and Raynham Taunton Greyhound
6 distributed back to those tracks.

7 CHAIRMAN CROSBY: To the Racing
8 Stabilization Fund, it looks like.

9 MR. O'DONNELL: Yeah. It goes back
10 to the purse accounts for the horses and the
11 Racing Stabilizing Fund for the dogs.

12 CHAIRMAN CROSBY: Right. As
13 amended. Second.

14 COMMISSIONER STEBBINS: Second.

15 CHAIRMAN CROSBY: Further
16 discussion? All in favor? Aye.

17 COMMISSIONER STEBBINS: Aye.

18 COMMISSIONER CAMERON: Aye.

19 COMMISSIONER ZUNIGA: Aye.

20 CHAIRMAN CROSBY: Opposed? The ayes
21 have it unanimously.

22 MR. O'DONNELL: Okay. Next we have
23 the quarterly local aide distribution to the
24 cities and towns where racing activities take

1 place. This would be for July, August and
2 September handles of 2016. It is six months
3 in arrears. And the total dollar amount
4 distributed will be \$232,961.07, and on the
5 second page it will show the breakdown to the
6 cities and towns of where the monies
7 distributed. We will need your approval on
8 this.

9 CHAIRMAN CROSBY: Discussion?
10 Commissioner?

11 COMMISSIONER CAMERON: So,
12 Mr. Chair, I move that we approve the payments
13 of the local aid quarterly payments through
14 March 31st back to the appropriate cities and
15 towns.

16 CHAIRMAN CROSBY: Second?

17 COMMISSIONER STEBBINS: Second.

18 CHAIRMAN CROSBY: Further
19 discussion?

20 All in favor? Aye.

21 COMMISSIONER STEBBINS: Aye.

22 COMMISSIONER CAMERON: Aye.

23 COMMISSIONER ZUNIGA: Aye.

24 CHAIRMAN CROSBY: Opposed? The ayes

1 have it unanimously.

2 MR. O'DONNELL: Thank you.

3 MS. LIGHTBOWN: Thank you.

4 COMMISSIONER CAMERON: Thank you.

5 CHAIRMAN CROSBY: All right. And
6 Catherine Blue.

7 MS. BLUE: First up, Commissioners,
8 we have Mr. Grossman and Mr. Glennon to walk
9 you through 205 CMR 14301, the changes to that
10 regulation.

11 MR. GROSSMAN: Good morning,
12 Commissioners.

13 CHAIRMAN CROSBY: Mr. Grossman. Is
14 your light on?

15 MR. GROSSMAN: I think the light's
16 on.

17 MR. BEDROSIAN: You're on. Yep.

18 MR. GROSSMAN: No one's home. All
19 right.

20 COMMISSIONER CAMERON: Thank you.

21 MR. GROSSMAN: I think Mr. Glennon
22 will kick off our discussion of 14301.

23 MR. GLENNON: So good afternoon --

24 CHAIRMAN CROSBY: Good afternoon.

1 COMMISSIONER CAMERON: Good
2 afternoon.

3 COMMISSIONER ZUNIGA: Good
4 afternoon.

5 COMMISSIONER STEBBINS: Good
6 afternoon.

7 MR. GLENNON: -- Chairman and
8 Commissioners. So as you know, we adopt GLI
9 standards for our technical standards. The
10 regulations you have before you to start the
11 informal process adopt the newest version of
12 GLI standards 3.0, which include some
13 technical standards around skill-based gaming
14 and some improvements in the structure of the
15 regulations and other things that make it, you
16 know, forward thinking in terms of our ability
17 to regulate.

18 So I think that's a summary. This
19 is the informal period for a couple of weeks.
20 We'll put it out there for comment and then
21 bring them back to you for formal promulgation
22 in a couple of weeks.

23 COMMISSIONER CAMERON: Yeah. Very
24 helpful to have the team meet with us in a two

1 by two setting in order to walk through the
2 individual changes. I agree with you that
3 they are being forward thinking. And it may
4 not come to us for years, but the standards
5 will be there when and if we -- the issue
6 arises around skill-based. So I -- you know,
7 I think we should start that process, and it
8 was nice to have that tutorial on exactly what
9 they are.

10 CHAIRMAN CROSBY: Anybody else? All
11 right. Do we need to vote on this? No vote.
12 We're just starting the process, yeah.

13 MR. GROSSMAN: We'll post these for
14 public comment. We'll bring them back to you
15 in a few weeks.

16 MR. GLENNON: And we do have a
17 second set of regulations.

18 MR. GROSSMAN: Yes.

19 MR. GLENNON: Which are for a vote.

20 COMMISSIONER ZUNIGA: Yeah. Before
21 we get to that, we usually -- on technical
22 regulations we've gotten in the past, from
23 recent past, really good comments from -- is
24 it IGT or GLI?

1 MR. GLENNON: So GLI will comment on
2 our --

3 COMMISSIONER ZUNIGA: On these ones.

4 MR. GLENNON: Because we, you know,
5 sometimes package some things around their
6 regulations. We've also included some
7 language that they didn't have what we thought
8 was forward thinking on our part. So along
9 with the manufacturers and also our licensees
10 may comment because it has a bearing on how
11 we -- how we approve the machines and manage
12 the technology in the various licensee's
13 operations.

14 COMMISSIONER ZUNIGA: And as a
15 general matter, we forward these draft
16 regulations to those parties, in addition to
17 just posting them on our website, right?

18 MR. GLENNON: Yes. Yep.

19 COMMISSIONER ZUNIGA: Because we can
20 call attention to them.

21 MR. GLENNON: Yep.

22 COMMISSIONER ZUNIGA: Great.

23 MR. GLENNON: We do.

24 MR. GROSSMAN: The next -- the next

1 two sets of regulations are in a different
2 phase. We've brought these before you once
3 before, two weeks ago. They have been
4 circulated for informal public comment. To
5 the best of my knowledge, we have not received
6 any informal public comments so we would
7 request that we can go through them one at a
8 time. That they be approved to move through
9 the formal promulgation process, which would
10 include, of course, filing with the state
11 secretary, as well as a Small Business Impact
12 Statement being filed accompanying these.

13 The first, as Mr. Glennon
14 referenced, have to do with the transfer of
15 progressive jackpots. This is 143.02
16 paragraph E. And the second has to do with
17 names of individuals being placed on the
18 physical alcoholic beverage license. That's
19 contained in 136.08.

20 CHAIRMAN CROSBY: Questions about
21 either? Discussion?

22 COMMISSIONER ZUNIGA: Which one was
23 the other one besides 14302?

24 COMMISSIONER CAMERON: 13608.

1 CHAIRMAN CROSBY: We've talked about
2 that, right?

3 COMMISSIONER CAMERON: Mm-hmm.

4 CHAIRMAN CROSBY: Do we have a
5 motion?

6 COMMISSIONER ZUNIGA: Sure. I
7 can -- I'll move that the Commission approve
8 the following regulations, 205 CMR 136, as
9 well as 205 CMR 143 as included in the packet
10 and direct staff to start the formal
11 promulgation process.

12 COMMISSIONER CAMERON: Second.

13 CHAIRMAN CROSBY: Further
14 discussion? All in favor? Aye.

15 COMMISSIONER STEBBINS: Aye.

16 COMMISSIONER CAMERON: Aye.

17 COMMISSIONER ZUNIGA: Aye.

18 CHAIRMAN CROSBY: Opposed? The ayes
19 have it unanimously.

20 MR. GLENNON: Thank you very much.

21 CHAIRMAN CROSBY: Thank you.

22 COMMISSIONER STEBBINS: Thank you.

23 COMMISSIONER ZUNIGA: Thank you.

24 CHAIRMAN CROSBY: Director.

1 MR. VANDER LINDEN: Good morning.

2 CHAIRMAN CROSBY: Good afternoon.

3 COMMISSIONER CAMERON: Good
4 afternoon.

5 COMMISSIONER ZUNIGA: Good
6 afternoon.

7 COMMISSIONER STEBBINS: Good
8 afternoon.

9 MR. VANDER LINDEN: Or good
10 afternoon. I have an agenda item --

11 MR. BEDROSIAN: Mark, I don't think
12 your light's on.

13 MR. VANDER LINDEN: It looked like
14 it was on, but it's not. My agenda item is to
15 discuss the Public Health Trust Fund's status,
16 status update. So we had a Public Health
17 Trust Fund Executive Committee meeting on
18 Tuesday afternoon.

19 The Public Health Trust Fund
20 Executive Committee is formed out of an MOU
21 that the Gaming Commission has for the
22 Executive Office of Health and Human Services.
23 The executive committee consists of five
24 members. The co-chair with our chairman,

1 Steve Crosby, as well as co-chaired by the
2 associate commissioner of the Department of
3 Public Health, Lindsey Tucker. The other
4 three members of that committee are the
5 executive director of the Mass State Lottery,
6 Michael Sweeney, Rebecca Gerwitz, who is,
7 until today actually, the executive director
8 of the Mass Public Health Association. As I
9 understand, she's -- she's leaving that
10 position today, and she will become the
11 executive director of the National Association
12 of Social Workers for Massachusetts. And the
13 final member is Jennifer Queally, and she is
14 the under secretary of public safety for --
15 for the Commonwealth.

16 CHAIRMAN CROSBY: Coincidentally,
17 well-known to our executive director from
18 prior lives.

19 MR. VANDER LINDEN: So the purpose
20 of the Public Health Trust Fund is basically
21 an effort to align the efforts of the
22 Massachusetts Gaming Commission as it relates
23 to research and responsible gaming with those
24 of EOHHS very broadly, but most specifically,

1 with the Department of Public Health and
2 problem gambling services that are being
3 delivered through -- through that department.

4 Our meeting on Tuesday largely
5 focused on developing an agenda for -- for
6 next year, for fiscal year 2018. So I came
7 forward presenting a proposed budget as it
8 relates to research and responsible gaming
9 activities. Victor Ortiz, who is the director
10 of problem gambling services with the
11 Department of Public Health came forward with
12 a proposed budget of how to sustain and
13 advance in preparation -- I'm sorry. Sustain
14 and advance a public health approach to
15 address problem gambling through the
16 Department of Public Health.

17 The total budget combined between
18 the two of us was \$4,820,000. The budget that
19 I proposed specifically was, I believe
20 \$3,800,000. That includes all activities as
21 it relates to the research agenda. It is not
22 proposing an expansion of the current research
23 agenda, but essentially sustaining the
24 research agenda that we currently have with

1 minor, modest cuts where it seems that we're
2 able to do that, especially over the course of
3 the next -- next year. It continues to
4 sustain existing core responsible gaming
5 programs that include GameSense, PlayMyWay,
6 and the Voluntary Self-Exclusion Program.

7 Mr. Ortiz presented a budget that
8 largely focused on building capacity, and in a
9 number of different areas prevention and
10 capacity building. For Region C, it includes
11 a prevention program that includes training
12 community health workers in the Plainville and
13 surrounding community and advancing that model
14 into -- into Region B. It included the
15 development of an updated clinical manual for
16 the treatment of problem gambling, as well as
17 a way to take that manual and disseminate it
18 to -- to clinicians across the state.

19 And finally, and I think probably
20 most important, is to do a gap analysis of the
21 current treatment system, problem gambling
22 treatment system in Massachusetts where it's
23 specifically for the programs that are funded
24 through the Bureau of Substance Abuse Services

1 at the Department of Public Health. I think
2 that it's -- it's critical that we take a look
3 at -- at problem gambling treatment in
4 Massachusetts and identify ways in which we
5 can -- we can make it more available, more
6 accessible to residents that are struggling
7 with a gambling disorder.

8 So that budget that I presented that
9 Mr. Ortiz presented to the Public Health Trust
10 Fund was -- was accepted or adopted by the
11 Public Health Trust Fund Executive Committee.
12 That will then be advanced to the MGC for --
13 for consideration. And obviously, in far
14 greater detail than what I was able to provide
15 for you just now.

16 CHAIRMAN CROSBY: There's plenty of
17 detail, if anybody's interested, but we just
18 wanted to get the broad strokes, I think,
19 right now.

20 MR. VANDER LINDEN: Yeah. So if
21 there are -- if you have any questions about
22 priorities that I'm recommending for next
23 fiscal year, more than happy to present that.
24 And in fact, as I was contemplating this

1 agenda item, it dawned on me that our
2 alignment with the Department of Public Health
3 and the problem gambling services that are
4 happening there, in the long run are
5 incredibly important. We want our research to
6 inform their services. We want their services
7 to meet the needs of individuals of the
8 Commonwealth, especially as it pertains to
9 at-risk and problem gamblers.

10 I would love to have Mr. Ortiz come
11 to the Commission and do a presentation on
12 what the programs and services that he's
13 planning for an implementing are at a -- at a
14 meeting down the road or in the near future.

15 CHAIRMAN CROSBY: Actually, that's a
16 great idea.

17 COMMISSIONER ZUNIGA: I was -- yes.
18 I was just going to say that. And perhaps it
19 would be a good time to do that towards the
20 end of this fiscal year and -- you know,
21 subject to their availability, because there's
22 been already some monies that went to the --
23 some of their planning activities that are now
24 being extended, or shifted, increased to

1 another region, to Region B. And it would be
2 a great -- great update if -- sort of like as
3 an annual update they came and provided some
4 -- some of the -- some of those updates.

5 CHAIRMAN CROSBY: Yeah, that would
6 be great. That's a good idea.

7 MR. VANDER LINDEN: Yeah, I will
8 definitely --

9 CHAIRMAN CROSBY: And Lindsey too, I
10 think, would be great.

11 MR. VANDER LINDEN: Great.

12 COMMISSIONER CAMERON: Yeah. It's
13 nice to see the agencies working well
14 together. Doesn't always happen so that's --
15 I know you've all worked hard to make that
16 happen so thank you for that, and we'd look
17 forward to that update.

18 MR. VANDER LINDEN: The MOU that was
19 adopted in 2014 is truly an important and
20 foundational document to advance and align
21 what we're doing here, which is incredibly
22 important public health work as it relates to
23 responsible gaming, and the work that the
24 EOHHS and the Department of Public Health are

1 planning and, to some degree, implementing.

2 To understand a true public health
3 approach to addressing this, you need to
4 understand it all the way from treatment and
5 prevention all the way down to very basic,
6 primary prevention services and make sure that
7 they're aligned and complementary of each
8 other.

9 COMMISSIONER CAMERON: Thank you.

10 CHAIRMAN CROSBY: Great.

11 MR. VANDER LINDEN: If I may, I
12 wanted to just provide a very brief update as
13 well on the Responsible Gaming Framework,
14 which was also part of the Public Health Trust
15 Fund agenda and an important document for
16 the -- for the Gaming Commission.

17 So the Commission, in December, gave
18 me direction to revisit version one of the
19 Responsible Gaming Framework. And that
20 version one was the product of a lot of work
21 starting off right after I started responsible
22 gaming forum that the Commission posted taking
23 a look around the world at different
24 jurisdictions and Responsible Gaming

1 Frameworks that were being implemented, as
2 well as any relevant research that document --
3 was the start of our GameSense Information
4 Centers. It was the start of a very
5 progressive, voluntary self-exclusion program.
6 There were a number of different regulations
7 that were promulgated from that, including
8 some direction on house credit, on location of
9 ATM machines, et cetera.

10 We wanted to revisit the framework
11 and update it, especially as we have more
12 experience under our belts as regulators over
13 the last couple years of Plainridge Park
14 Casino, and as MGM and Wynn are beginning to
15 ramp up their operations. They haven't
16 started, but as they're drafting their
17 responsible gaming plans.

18 So I, with the help of
19 Dr. Jeff Marotta, who's sitting behind me,
20 this past week have met with each of you. We
21 met with our licensees through the Mass
22 Partnership on Responsible Gaming. We had a
23 fascinating meeting, I think an incredibly
24 enlightening meeting, not that the others

1 weren't, with a group of individuals in
2 recovery from the recovery board at the Mass
3 Council on Compulsive Gambling. And we met
4 with our GameSense advisers and other -- other
5 staff from PPC yesterday.

6 Just one story that came from the
7 recovery board that I felt was really
8 indicative of the meaningful work that's being
9 done through our GameSense Information Center.
10 First, we had to kind of describe some -- some
11 of the programs and services that we're
12 providing, especially the GameSense program.
13 And there's -- there's -- and I think
14 justifiably so, some skepticism about our
15 ability to do responsible gaming, meaningful
16 responsible gaming work within the casino.
17 But after we kind of got through that and
18 described the program, I think there was a
19 general feeling that the GameSense program,
20 the GameSense advisers that are there seven
21 days a week, 16 hours a day, there may have an
22 impact, especially for individuals that are
23 moving down that path through -- towards --
24 towards a gambling disorder, towards problem

1 gambling and providing intervention that
2 may -- may head that off.

3 You know, my belief, my hope is that
4 our evaluation efforts will bear that out as
5 well, but to hear anecdotally a positive
6 response from a group of individuals whose
7 lives have been devastated previously by a
8 gambling disorder that, that is a program that
9 they felt is effective, was incredibly
10 valuable and important feedback.

11 CHAIRMAN CROSBY: People still don't
12 get the distinction between at-risk and
13 problem. You know, and as you have said many
14 times, this is -- these tools are not for
15 people who are already over the hill. You
16 know, it's -- people who are already in
17 trouble, these probably aren't going to add
18 much. But it's that loose group of, you know,
19 eight, 10, 15, 20 percent of players who --
20 who are -- have the possibility of getting in
21 trouble but aren't there yet. You know, it's
22 that at-risk pool that these tools are
23 principally for. And at first blush, nobody
24 gets that. Everybody talks about problem

1 gamblers and mis -- misjudges how a tool might
2 affect because they don't really realize who
3 it's for.

4 COMMISSIONER ZUNIGA: And the
5 general feedback, or the anecdotal feedback is
6 that this group of people in recovery think
7 that GameSense is positively -- I don't know
8 if you mentioned that. Influencing or has the
9 potential to positively influence those
10 at-risk players?

11 MR. VANDER LINDEN: Yeah. That was
12 the feeling of the group. You know, nobody
13 starts off and goes from zero to gambling
14 disorder. There's a lot of steps in between,
15 and it's a process of kind of accumulating and
16 amassing the negative consequences that
17 ultimately result from problem gambling, and
18 what are -- what are the services that we can
19 put into place.

20 GameSense being the perfect example
21 of that. As somebody continues down -- moves
22 down that continuum that can potentially
23 head -- head them off and -- before they move
24 further down. And that's certainly -- and

1 at-risk -- the at-risk gamblers are certainly
2 a high priority for us to -- to make sure that
3 we're developing measures that address their
4 specific needs. And if you recall,
5 Dr. Volberg's report on the deeper analyses of
6 our general baseline population study said
7 that individuals -- there's a higher
8 correlation of individuals who are at-risk
9 gamblers gambling at casinos. It's really
10 valuable when we think about then, what are we
11 doing to address? How are we reaching out to
12 at-risk gamblers that -- that may be heading
13 to our casinos now and in the future?

14 COMMISSIONER ZUNIGA: Anything on
15 PlayMyWay or informed decision-making as part
16 of a strategy for that group?

17 MR. VANDER LINDEN: Yeah. We didn't
18 touch much on the PlayMyWay program with that
19 group.

20 COMMISSIONER ZUNIGA: Okay.

21 MR. VANDER LINDEN: It could be
22 really interesting to engage them more
23 frequently. When we developed our -- the
24 framework to start, we didn't have that -- any

1 input from that group. In fact, that group
2 only recently kind of reorganized in 2015.
3 But very articulate, very intelligent group of
4 individuals. And I think they -- they've made
5 their case very well of what -- what the need
6 for these types of services and attention
7 deserve.

8 COMMISSIONER ZUNIGA: Yeah. I think
9 this exercise is very positive. You know,
10 Jeff Marotta, who's sitting behind you, is
11 helping us do this, and I think there's
12 already been a lot of great feedback from not
13 just this group but I was able to sit on a
14 meeting yesterday with PPC, with Lance George
15 and others, and there was at least one area
16 that I thought is really going to prompt us to
17 look at a regulation and how it's being
18 implemented because -- because of their
19 feedback. So that, to me, was very valuable.

20 CHAIRMAN CROSBY: Great.

21 COMMISSIONER ZUNIGA: We have to go
22 back and look at it and see exactly what we --
23 what we say and what we meant.

24 CHAIRMAN CROSBY: What was that?

1 COMMISSIONER ZUNIGA: Whenever
2 there's somebody in the voluntary
3 self-exclusion list and has been at the casino
4 -- playing at the casino --

5 CHAIRMAN CROSBY: After they're on
6 the list?

7 COMMISSIONER ZUNIGA: After they're
8 on the list. PPC is required to try to figure
9 out how much play had happened up until that
10 point in order to forfeit those -- those
11 dollars. I happen to believe that that was
12 not necessarily the intention, to have to go
13 back and figure out everything that happened,
14 because if you simply confiscated everything
15 at the time, you would be, you know, getting
16 the net of all of that activity. But as it --
17 you know, with all the tickets. And grant it,
18 it may be that, you know, somebody has a
19 ticket in their pocket and they're not telling
20 you, but that could be something that could be
21 reasonably ascertained through -- through
22 security and whatnot.

23 What has been happening is quite a
24 bit of resources having to go back to as much

1 activity as they can in numerous places, which
2 is turning out to be quite a bit of resource
3 intensive on both PPC and our own gaming
4 agents. So maybe that's what we intended.
5 Maybe that's what it technically says in the
6 regulations, but that's good feedback for us,
7 in my opinion, to go back -- to look at it.
8 And -- because my recollection is that when we
9 looked at this the notion was that whatever
10 was in the machine, because there was a
11 particular case on somebody who wanted to get
12 those credits back, had to be forfeited. And
13 I don't know that we intended to have anybody
14 go back and the whole history of -- of that
15 play for however long they could. It's maybe
16 more detail than I -- then we want at this
17 point, but my point is that just the process
18 of reviewing and having these -- these
19 meetings and these feedback sessions are --
20 are really positive.

21 CHAIRMAN CROSBY: Great. Good.

22 Thank you. Anything else about the framework,
23 Public Health Trust Fund? All right. Thank
24 you, Mark.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

MR. VANDER LINDEN: Thank you.

COMMISSIONER CAMERON: Thank you.

COMMISSIONER ZUNIGA: Thank you.

CHAIRMAN CROSBY: Any Commissioner reports?

COMMISSIONER ZUNIGA: No.

COMMISSIONER CAMERON: I don't think so.

CHAIRMAN CROSBY: I can't think of anything that I've got either. All right. Do we have a motion to adjourn?

COMMISSIONER CAMERON: So moved.

COMMISSIONER ZUNIGA: Second.

CHAIRMAN CROSBY: All in favor?
Aye.

COMMISSIONER STEBBINS: Aye.

COMMISSIONER CAMERON: Aye.

COMMISSIONER ZUNIGA: Aye.

CHAIRMAN CROSBY: We are adjourned.

(Proceeding concluded at 12:42 p.m.)

1 GUEST SPEAKERS:

2 Steve O'Toole, General Manager, Plainridge Park

3 MASSACHUSETTS GAMING COMMISSION:

4 Catherine Blue, General Counsel

5 Edward Bedrosian, Executive Director

6 John Ziemba, Ombudsman

7 Todd Grossman, Deputy General Counsel

8 Derek Lennon, CFAO

9 John Glennon, Chief Information Officer

10 Karen Wells, Director, IEB

11 Michael Sangalang, Digital Communications

12 Coordinator

13 Alex Lightbown, Director an Chief Veterinarian,

14 Racing Division

15 Doug O'Donnell, Sr. Financial Analyst

16 Dan McDonald, Manager of Infrastructure and

17 Applications

18 Mark Vander Linden, Director of Research and

19 Responsible Gaming

20 Agnes Beaulieu, Financial Analyst

21 Jill Griffin, Director of Workforce, Diversity

22 Supplier Development

23 Paul Connelly, Director of Licensing

24 John Glennon, Chief Information Officer

C E R T I F I C A T E

I, Brenda M. Ginisi, Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Brenda M. Ginisi, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive of Transcript Format.

I, Brenda M. Ginisi, further certify that 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 18th of April 2017.

BRENDA M. GINISI
Notary Public

My Commission expires:
June 18, 2021

