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THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION

OPEN MEETING

CHAIRMAN

Stephen P. Crosby (*not present*)

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins

Enrique Zuniga

JULY 31, 2012, 1:00 p.m.

OFFICE OF PENSION RESERVES INVESTMENT MANAGEMENT BOARD

84 State Street, Second Floor

Boston, Massachusetts

1 JULY 31, 2012

2 PROCEEDINGS:

3

4 COMMISSIONER MCHUGH: It is 1:00.

5 So, I am going to call at 1:00 the public meeting of
6 the Massachusetts Gaming Commission number 19 to
7 order.

8 This is a special meeting in the sense
9 that we only have one agenda item. We discussed this
10 at the last meeting. To put it in context under
11 section 103 of the Expanded Gaming legislation
12 chapter 194 of the Act of 2011, the Commission is
13 required to prepare a report on the operation of
14 charitable gaming in Massachusetts and make
15 recommendations to the legislative leadership for
16 any appropriate changes.

17 The Commission has prepared a report.
18 We discussed the report last week. And the purpose
19 of today's meeting is to present to the Commission
20 formally both the report in narrative form, its final
21 form, and to present to the Commission the cover
22 letter under which we are going to send that report
23 today to the legislative leadership, that is to the
24 Speaker and the President and to the Chairs of the

1 House and Senate committee on Ways and Means and the
2 Chairs of the joint committees on Economic
3 Development and Emerging Technologies.

4 A report that would recommend, if
5 approved by the Commission that charitable gaming be
6 -- the regulation of charitable gaming be
7 consolidated in the Lottery, which has the staff and
8 the experience to do that kind of regulation and is
9 already regulating 73 percent of the total dollar
10 volume expended in charitable gaming in the
11 Commonwealth. And that by the end of the year we
12 propose legislation and regulations in order to
13 effect that transition.

14 This is a recommendation that has been
15 discussed with the Lottery, with the Treasury and
16 with the Attorney General who all have some
17 regulatory responsibilities and is essentially a
18 view being put forward by the Commission but with the
19 agreement and support of those of entities. With
20 that as background, the matter is open for
21 discussion.

22 COMMISSIONER CAMERON: I just wanted
23 to make a comment, Commissioner, that it is a very
24 well done report and I thank you for the effort on

1 behalf of all of us.

2 It makes perfect sense, the
3 recommendation, after reviewing the percentages and
4 the idea that they have the staff and housing all of
5 this in one place certainly logistically as well as
6 from a regulatory standpoint makes a lot of sense.

7 So, I certainly agree with your
8 recommendation as well as it was a very comprehensive
9 report. So, thank you.

10 COMMISSIONER MCHUGH: Other comments,
11 questions, concerns?

12 COMMISSIONER STEBBINS: I add to
13 Commissioner Cameron and I think it is pretty
14 apparent that because of the timeliness of when we
15 were all appointed that we were not going to make the
16 first deadline. In keeping with our ability, we kept
17 the second deadline. It falls in line with our
18 ability to incorporate racing into the Gaming
19 Commission by that deadline.

20 Hopefully, it sends the message that we
21 are keeping on track and we are fulfilling the
22 obligations of the legislation and doing it
23 thoughtfully and diligently.

24 COMMISSIONER ZUNIGA: Yes. I agree

1 as well with what is being discussed. I think the
2 report is very well thought out. There is clearly
3 a lot of discussion that went into summarizing the
4 findings of fact and the background and the
5 discussion about the regulatory framework and the
6 substantive issues.

7 I think the conclusions really make the
8 most sense as are being summarized here as
9 recommended to the Legislature, they have the
10 discretion, that the oversight be placed in the
11 Lottery and given what this Commission has in front
12 of ourselves.

13 I do want to just have a question really
14 of -- a thought that occurred to me relative to how
15 the whole gaming charitable and bazaars and beano may
16 evolve a few years from now with the presence of
17 casinos. Right now we are looking at a given point
18 and a trend that has looked back at the history.

19 Perhaps just for our own discussion,
20 our own benefit and for the record to have some
21 thoughts of whether somebody should think about how
22 the introduction of casinos may factor in charitable
23 gaming. I know that was not the charge of the
24 legislation for this topic, but I cannot help but

1 wonder whether that has been a matter of discussion.

2 COMMISSIONER MCHUGH: I can say in
3 response that there is some concern about -- in the
4 charitable gaming community about the impact of
5 casinos on charitable gaming.

6 As the report notes, there are
7 commercial equivalents of each form of the charitable
8 gaming that exists in Massachusetts, beano, the
9 pull-tabs -- the charitable gaming tickets, raffles
10 and the Las Vegas or Monte Carol nights.

11 There is in Connecticut a very large
12 bingo parlor, which is the same as our beano. There
13 is the possibility of more bingo or beano in
14 Massachusetts under the various regimes that exist.

15 The Commission has the responsibility
16 though under the legislation of monitoring this and
17 making periodic reports to the Legislature. And it
18 is clear it seems I think collectively to us that the
19 public and the Legislature and everybody involved in
20 this wants us to focus laser-like on getting these
21 casinos licensed, up and running -- these gaming
22 establishments licensed, up and running.

23 So, for the minute to take this package
24 of already fairly well-regulated gambling, put it in

1 one place that is capable of continuing that
2 effective regulation, concentrating on our main task
3 is the best thing for us to do. That is at least my
4 view and I think that is what the public wants us to
5 do and to stay in the deadlines as Commissioner
6 Stebbins suggested that we are on, to move forward
7 thoughtfully but effectively in our primary mission.

8 COMMISSIONER ZUNIGA: I would agree.
9 I concur. I guess I was just thinking out loud a
10 little bit relative to those or anticipating the
11 periodic reports, but we will just have to cross that
12 bridge when we get there.

13 COMMISSIONER MCHUGH: And I don't
14 think we can lose sight of it.

15 All right. Then I would accept a
16 motion to forward the report under the cover letter
17 that you have before you of July 31 to the legislative
18 leadership in fulfillment of our statutory
19 obligation.

20 COMMISSIONER CAMERON: I make a motion
21 to forward this report as is.

22 COMMISSIONER STEBBINS: Second.

23 COMMISSIONER MCHUGH: All in favor, I.

24 COMMISSIONER STEBBINS: I.

1 COMMISSIONER CAMERON: I.

2 COMMISSIONER ZUNIGA: I.

3 COMMISSIONER MCHUGH: The I's have it
4 and we adopt that position unanimously. We will
5 transmit that report this afternoon to the six
6 designated legislative leaders.

7 And that concludes -- Unless there is
8 any other business that concludes today's meeting.
9 Is there any other business that anybody wishes to
10 raise? That is the only agenda item.

11 So, I will entertain a motion to
12 adjourn.

13 COMMISSIONER STEBBINS: So moved.

14 COMMISSIONER MCHUGH: All in favor, I.

15 COMMISSIONER STEBBINS: I.

16 COMMISSIONER CAMERON: I.

17 COMMISSIONER ZUNIGA: I.

18 COMMISSIONER MCHUGH: The motion is
19 carried. The meeting is adjourned. Thank you.

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21 (Meeting adjourned at 1:10 p.m.)

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1 ATTACHMENTS:

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3 Attachment 1, Agenda

4 Attachment 2, Charitable Gaming, Massachusetts Gaming

5 Commission Report

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C E R T I F I C A T E

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

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

I, Laurie J. Jordan, further certify I neither am counsel
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action in which this hearing was taken and further that
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//Laurie J. Jordan// Date: July 31, 2012

Court Reporter for Office Solutions Plus, LLC

My commission expires: May 11, 2018

//Elizabeth Tice// Date: July 31, 2012

Elizabeth Tice, President, Office Solutions Plus, LLC

My commission expires: August 26, 2016