



MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING#327

November 19, 2020
10:00 a.m.

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 147 0284



Massachusetts Gaming Commission



UPDATED
NOTICE OF MEETING and AGENDA
November 19, 2020

PLEASE NOTE: Given the unprecedented circumstances resulting from the global Coronavirus pandemic, Governor Charles Baker issued an order to provide limited relief from certain provisions of the Open Meeting Law to protect the health and safety of individuals interested in attending public meetings. In keeping with the guidance provided, the Commission will conduct a public meeting utilizing remote collaboration technology. If there is any technical problem with our remote connection, an alternative conference line will be noticed immediately on our website: MassGaming.com.

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

Thursday, November 19, 2020
10:00 a.m.
Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 147 0284

All documents and presentations related to this agenda will be available for your review on the morning of November 19, 2020 by [clicking here](#).

PUBLIC MEETING - #327

1. Call to order
2. Approval of Minutes
 - a. August 27, 2020
3. Administrative Update – Karen Wells, Executive Director
 - a. On-site Casino Updates - Loretta Lillios, Interim Director of IEB/Chief Enforcement Counsel/Deputy Director; Bruce Band, Assistant Director, Gaming Agents Division Chief
4. Community Affairs Division – Joseph Delaney, Community Affairs Division Chief
 - a. Encore Boston Harbor Quarterly Report – Jacqui Krum, Senior Vice President and General Counsel



Massachusetts Gaming Commission

5. Workforce, Supplier and Diversity Development – Jill Griffin, Director of Workforce, Supplier and Diversity Development
 - a. Plainridge Park Casino Operations Goods and Services – Dana Fortney, Vice President of Finance **VOTE**
 - b. Plainridge Park Casino Tourism Plan – Michele Collins, Vice President of Marketing **VOTE**
6. Community Affairs Division – Joseph Delaney, Community Affairs Division Chief
 - a. Community Mitigation Guidelines – Joseph Delaney, Community Affairs Division Chief; Mary Thurlow, Program Manager **VOTE**
7. MGC Administration – Karen Wells, Executive Director
 - a. Follow-up on Equity and Inclusion Working Group – Karen Wells, Executive Director; Jill Griffin, Director of Workforce, Supplier and Diversity Development
8. Commissioner Updates –
 - a. Annual Report Draft Review – Commissioner Enrique Zuniga
9. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Massachusetts Gaming Commission Meeting” at www.massgaming.com and emailed to: regs@sec.state.ma.us, melissa.andrade@state.ma.us.

November 18, 2020

Cathy Judd-Stein, Chair

Date Posted to Website: Updated November 18, 2020
November 17, 2020 at 10:00 a.m.



Massachusetts Gaming Commission



Massachusetts Gaming Commission Meeting Minutes

Date/Time: August 27, 2020 – 10:00 a.m.

Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
MEETING ID: 112 715 4330

Present: Chair Cathy Judd-Stein
Commissioner Gayle Cameron
Commissioner Enrique Zuniga
Commissioner Bruce Stebbins
Commissioner Eileen O'Brien

Given the unprecedented circumstances, Governor Charles Baker issued an order to provide limited relief from certain provisions of the Open Meeting Law to protect the health and safety of the public and individuals interested in attending public meetings during the global Coronavirus pandemic. In keeping with the guidance provided, the Commission conducted this public meeting utilizing remote collaboration technology.

Call to Order

10:00 a.m. Chair Cathy Judd-Stein called to order public meeting #316 of the Massachusetts Gaming Commission (Commission).

The Chair confirmed a quorum for the meeting with a Roll Call.

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

Approval of Meeting Minutes

10:02 a.m. *Commissioner Stebbins moved to approve the minutes from the Commission meeting of June 25, 2020, subject to correction for typographical errors and other nonmaterial matters. Commissioner O'Brien requested an edit. Commissioner Zuniga seconded the motion.*

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, pending the edit.

Statement of the Chair: M.G.C. Regulatory Oversight and Encore Boston Harbor

[10:04 a.m.](#) The Chair noted that it had been six weeks since the casinos have reopened under Phase 3 of the Commonwealth's phased reopening. On behalf of the Commission, she commended the staff for its swift assessment of the situation and action taken to ensure safety and compliance. She added that it is critically important for the Commission to remain vigilant in its efforts to enforce the safety guidelines outlined in the reopening safety guidelines.

Administrative Update

[10:07 a.m.](#) **Hiring Announcement**
Interim Executive Director Karen Wells made a formal announcement that the Commission has named Interim General Counsel Todd Grossman as General Counsel to the Commission. She and the commissioners commended Mr. Grossman for his leadership as Interim General Counsel during challenging circumstances imposed by the pandemic. The Chair also noted that Mr. Grossman underwent a thorough, competitive assessment.

[10:13 a.m.](#) **Casino Reopening Update**
Ms. Wells updated the Commission on an incident that occurred at Encore Boston Harbor on Sunday, August 13 involving over 110 individuals, mostly without wearing masks, in a hotel suite. Under Encore's rules, suite capacity is limited to 10 people. Ms. Wells summarized the incident and stated that the guest who registered at the suite had been charged with and disorderly conduct for hosting the gathering and fined \$500 for obstructing the governor's order prohibiting gatherings of over 25 people. The Investigations and Enforcement Bureau (I.E.B.) issued a Notice of non-compliance to the casino, to which the casino was assessed a window of time to complete a communications plan. Licensee will conduct enhanced training, assess luggage being brought on property and added security at elevators. Security staff will now monitor the hotel floors for infractions.

[10:19 a.m.](#) I.E.B. Deputy Director and Chief Enforcement Counsel Loretta Lillios described the notice of non-compliance that the I.E.B. issued to the licensee. She noted that Encore reported to the I.E.B. the steps they are taking to comply with the I.E.B.'s requirements, stating that they are employing a number of their additional

measures. Encore has also increased security and surveillance measures on the hotel floors since the incident.

[10:24 a.m.](#) I.E.B. Assistant Director and Gaming Agents Division Chief Bruce Band stated that the new rules have resulted in fines and evictions for some patrons. He also described the additional security measures in place to monitor hotel guests.

[10:32 a.m.](#) Ms. Lillios confirmed for Commissioner Zuniga that the \$500 fine that Encore assesses only applies to the person who rented the room.

[10:35 a.m.](#) The Chair remarked that the notice of non-compliance that the Commission assessed to Encore is a very serious step. She described the circumstances surrounding the incident and why she felt it was particularly egregious. The Chair concluded by stating that it is essential that licensees enforce safety measures and keep communication channels open to ensure their employees' reports are heard.

[10:39 a.m.](#) Commissioner Zuniga suggested that the licensee obtain names and telephone numbers of everyone involved in these types of violations, which contribute to putting others at risk and not focusing on the individual who rented the room solely.

[10:41 a.m.](#) **M.G.C. Office Reopening Working Group Update**

Ms. Wells stated that she had issued a notice to the Commission staff stating that telework will continue at least through December 31, pursuant to the governor's guidelines and orders. She stated that she has arranged for equipment to be transferred for employees' home use. An ITS Acceptable Use Policy has been distributed to employees.

Racing Division

[10:49 a.m.](#) **Horse Racing Update**

Racing Division Director Dr. Alexandra Lightbown updated the Commission on compliance with masks in the racing division. She indicated explicitly that everyone in the simulcasting facilities is complying with the mask guidelines.

Next, Dr. Lightbown stated that the Kentucky Derby will have no spectators this year due to the pandemic. She added that this will still be a big day for all three facilities, and they are reviewing their COVID-19 plan, adding security, and further safety measures in preparation.

Dr. Lightbown commended her team in the racing division for their cooperative compliance with wearing masks, as it is very difficult to work outside in high temperatures for extended lengths of time in Personal Protective Equipment (P.P.E.). Commissioner Cameron then recognized Dr. Lightbown for her remarkable efforts to ensure a safe reopening of the racing division.

10:53 a.m. **Horse Racing Committee Split**

Next, Dr. Lightbown addressed the Race Horse Committee's recent decisions for the new Race Horse Development Fund distribution percentages (the "split"). She directed the Commission to a letter in the Commissioners' Packet from the Chair of the committee, Brian Fitzgerald, that outlined the committee's recommendations for the purse distributions, breeding program distributions, and health and pension benefits distributions to the Standardbred and Thoroughbred industries.

10:54 a.m. **205 CMR 149.04: Race Horse Development Fund: Distributions; Escrow Accounts**

Mr. Grossman first addressed agenda item number 6(c); amendments to *205 CMR 149.04: Race Horse Development Fund: Distributions; Escrow Accounts* to provide context for the Commission before discussing the "split" percentages.

There was a public hearing held for this amendment to the regulation this morning before the Commission meeting. Commissioner Stebbins stated that there were no comments offered by the public on this regulation. Mr. Grossman then described the three proposed distribution percentages requiring a vote from the Commission.

11:02 a.m. Commissioner Cameron explained the Horse Race Committee's construct for the public, defining each committee member's role.

11:04 a.m. *Commissioner Zuniga moved that the Commission approve the Amended Small Business Impact Statement for 205 CMR 149.04: Race Horse Development Fund: Distributions; Escrow Accounts, as included in the Commissioners' Packet. Commissioner Cameron seconded the motion.*

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner Zuniga further moved that the Commission adopt the version of 205 CMR 149.04: Race Horse Development Fund: Distributions; Escrow Accounts, as included in the Commissioners' Packet and authorize the staff to take all steps necessary to finalize the regulation promulgation process.

Commissioner Stebbins seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

*Chair Judd-Stein: Aye.
The motion passed unanimously.*

11:06 a.m. Next, Mr. Grossman reviewed standards of the “split” with the Commission. He also highlighted [G.L. c. 23K, § 60](#), which governs the Race Horse Development Fund and specified that it is the Commission’s authority to approve the proposed percentages.

11:10 a.m. Commissioner Cameron explained the deliberations at the Horse Race Committee meetings leading up to the present recommendations now before the Commission. She described existing needs on the health and pension benefits side of the Thoroughbred industry. She explained that under the emergency regulation, they were able to ask each breed to appeal to the Horse Race Committee for more funds for purses, breeding, and health & pension benefits. The committee was then able to make recommendations based on each category. The Commissioner described how the committee arrived at the recommendations for each percentage before the Commission today.

11:21 a.m. *Commissioner Stebbins moved that the Commission approve the recommendations submitted by the Horse Race Committee in accordance with G.L. c. 23K § 60 as follows:*

*80% distributions for purses for live races shall be split:
70% to Standardbred, 30% to Thoroughbred;*

*16% distributions for breeding programs shall be split:
70% to Standardbred, 30% to Thoroughbred; and*

*4% distributions for health and pension benefits shall be split:
40% to Standardbred, 60% to Thoroughbred.*

Commissioner O’Brien seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O’Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

11:22 a.m. **Plainridge Park Request for Premium-Free Period**
Plainridge Park Casino (PPC) Director of Racing Steve O’Toole has submitted a request for approval of a Premium-Free Period from Sunday, June 14 through and including Saturday, September 5, 2020.

Dr. Lightbown recommended that the Commission approve PPC's request for a premium-free period of June 14 through and including September 5, 2020.

[11:23 a.m.](#) *Commissioner Cameron moved that the Commission approve Plainridge Park Casino's request for a premium-free period of Sunday, June 14 through September 5, 2020, in accordance with G.L 128C § 2(4). Commissioner Zuniga seconded the motion.*

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

[11:23 a.m.](#) **Plainridge Park Request to Utilize Handheld Wagering Devices (“Walk Abouts”) on Kentucky Derby Day**

PPC is seeking the Commission's approval to utilize handheld wagering devices, or "Walk Abouts," for patrons to place wagers outside the racing area on Kentucky Derby Day, by designated drive-through and walk-up areas on the casino property.

Dr. Lightbown described walkabouts to handle the increased demand for wagering opportunities due to imposed restrictions from the pandemic.

[11:26 a.m.](#) PPC's Director of Racing Steve O'Toole described a typical crowded Kentucky Derby day before the pandemic. He explained the measures needed and steps taken to now restrict access to the racing building. Mr. O'Toole noted that occupancy was limited to under 300 for this event through ticket sales. He proposes implementing two drive-throughs called “Walk Abouts” and described the teller's remote system to take wagers from patrons.

[11:35 a.m.](#) The Chair noted that mobile betting is also allowed through establishing an account for horse racing.

[11:36 a.m.](#) Mr. Grossman highlighted some legal issues relevant to the discussion. He noted the law that governs where wagering machines can be placed and the type of devices themselves, being automatic betting machines. He referenced G.L. c. 128A § 5(a) and stated that the wagering machines do appear to comply with the statute's requirements.

[11:43 a.m.](#) The Chair asked Mr. O'Toole to address COVID-19 compliance and describe what measures are being taken at the racetrack concerning communicating expectations of patrons. Mr. O'Toole stated that signage and a Plainville police officer would be stationed at the entrance to explain. There was discussion

around requiring masks in cars and in line, as a teller may approach a vehicle to take wagers.

- [11:50 a.m.](#) Ms. Lillios described pandemic safety requirements for Encore's indoor and outdoor areas. A total of 300 patrons will be allowed in both areas combined.
- [11:53 a.m.](#) Mr. O'Toole confirmed for Commissioner O'Brien that there will be an officer at every building entrance for every live racing day, and there will be an additional officer to assist with the drive-through.
- [11:54 a.m.](#) PPC Security Director Greg Demarco described the property's security plan and stated that they are working with the marketing department to promote it.
- [11:54 a.m.](#) Mr. O'Toole confirmed for Commissioner Stebbins that tellers will be vigilant on Kentucky Derby Day to avoid mistakes inadvertently made by casual betters. The Chair asked Mr. O'Toole to work closely with Ms. Lillios and her team to ensure that the intent of the racing standards is also applied to simulcasting.
- [12:01 p.m.](#) Commissioner O'Brien stated that she has questions regarding security issues that would be appropriately addressed at an executive session, to which the Commission agreed. Proper notice will be provided for an emergency executive session.
- [12:07 p.m.](#) *Commissioner O'Brien moved that the Commission approve the use of handheld wagering devices, or "WalkABOUTs," during the 2020 Kentucky Derby, pursuant to compliance with the existing racing and gaming COVID-19 restrictions, and any additional COVID-19 restrictions discussed today, and further subject to I.E.B. confirming the statutory compliance of the device, and subject to the approval of any security issues to be addressed in an executive session. Commissioner Cameron seconded the motion.*
- Roll Call Vote:*
- | | |
|-------------------------------|-------------|
| <i>Commissioner Cameron:</i> | <i>Aye.</i> |
| <i>Commissioner O'Brien:</i> | <i>Aye.</i> |
| <i>Commissioner Zuniga:</i> | <i>Aye.</i> |
| <i>Commissioner Stebbins:</i> | <i>Aye.</i> |
| <i>Chair Judd-Stein:</i> | <i>Aye.</i> |
- The motion passed unanimously.*

Legal Division

- [12:09 a.m.](#) **205 CMR 134.03: Gaming Service Employees**
- The Commission reviewed the proposed amendment, previously enacted by emergency, to this regulation that allows a gaming licensee to temporarily allow an individual(s) to assist with gaming establishment employee training and related purposes without having to become licensed or registered, from the date operations are recommenced after any period of suspension.

12:12 a.m. *Commissioner Stebbins moved that the Commission approve the Amended Small Business Impact Statement for 205 CMR 134.03: Gaming Service Employees, as included in the Commissioners' Packet. Commissioner Cameron seconded the motion.*

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner Stebbins further moved that the Commission adopt the version of 205 CMR 134.03: Gaming Service Employees, as included in the Commissioners' Packet, and authorize the staff to take all necessary steps to finalize the regulation promulgation process. Commissioner O'Brien seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

12:13 p.m. **205 CMR 138.72: Policies and Procedures for Ensuring a Workplace Free from Unlawful Discrimination, Harassment, and Retaliation**

The Commission reviewed this proposed new regulation that would require a system of internal controls for a licensee that includes policies and procedures to ensure a workplace free from unlawful discrimination, harassment, and retaliation.

Associate General Counsel Carrie Torrisi described the regulation for the Commission. She noted that M.G.M. Springfield submitted comments to her and that she had amended the regulation. She identified two substantive changes of concern and asked Commissioner O'Brien to address it with the Commission.

12:17 p.m. Commissioner O'Brien stated her specific concern is around stricken language in section D of the regulation that required a licensee to explain why any allegations or claims had not been investigated or resolved, should they be found to remain unresolved. She also noted how the request for the trainers' job title on unlawful discrimination, harassment, and retaliation in section G is not appropriate. Commissioner Cameron added that all items were originally discussed with the licensees and that the licensees generally agreed. She agrees that the regulation should stay the same.

[12:19 p.m.](#) Commissioner O'Brien recommended adopting the initially approved version by the Commission and not to incorporate M.G.M. Springfield's proposed changes.

[12:23 p.m.](#) *Commissioner O'Brien moved that the Commission approve the Amended Small Business Impact Statement for 205 CMR 138.72: Policies and Procedures for Ensuring a Workplace Free from Unlawful Discrimination, Harassment, and Retaliation, as included in the Commissioners' Packet, only including the redline represented in paragraph 4(f). Commissioner Cameron seconded the motion*
Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner O'Brien further moved that the Commission adopt the version of 205 CMR 138.72: Policies and Procedures for Ensuring a Workplace Free from Unlawful Discrimination, Harassment, and Retaliation, as included in the Commissioners' Packet, only including the redline represented in paragraph 4(f) and authorize the staff to take all steps necessary to finalize the regulation promulgation process. Commissioner Cameron seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Compliance Items Update

[12:26 p.m.](#) Ms. Wells provided the Commission with an overview of areas of compliance and discussed best practices. She discussed external and internal compliance functions. Ms. Wells asked the Commissioners for any suggestions, direction, or further related items for discussion.

[12:32 p.m.](#) The Chair highlighted the Working Group that Commissioner Zuniga and Commissioner O'Brien have been participating in. Commissioner Zuniga stated that this group meets monthly, devoted to areas that need to be assessed, such as internal compliance and annual risk assessment. This Working Group is in the process of establishing its charter. The group will report back to the Commission with status updates periodically.

Next, Commissioner Zuniga suggested the designation of an internal controls officer for a future Commission meeting. He added that the finance department

typically falls into that role across jurisdictions and feels that technically, this may not be appropriate in this scenario, and suggested a discussion for the position. The Commission also needs to consider when and how that designation will occur.

Executive Director Search Update

[12:40 p.m.](#) Commissioner Zuniga reported that the Working Group conducted two surveys of staff and directors relative to attributes, qualities, priorities for the agency regarding the executive director search. The survey did yield positive feedback for Ms. Wells' performance. He stated that the Commission will determine the next steps at this meeting today. Commissioner Zuniga then described options for the Commission to consider and conduct an interview with the leading candidate.

[12:48 p.m.](#) The Chair stated that she anticipates the Commission moving forward with this as quickly as possible. She hopes that the Commission can make this an interview of the leading candidate through the survey results. She suggested an evaluation of the executive director on an annual basis in a public meeting. There was a subsequent discussion around the format of the process.

[12:51 p.m.](#) Commissioner Stebbins stated that he would like to have a public hearing regarding Ms. Wells and her role. The Commissioners concurred.

[1:07 p.m.](#) Next, the Chair stated that the Commission meeting scheduled for September 10 would be appropriate for the aforementioned hearing. She then noted that this meeting is running about 30 minutes past the anticipated end-time and that the executive session scheduled to follow will be rescheduled for 2:00 p.m. today.

Commissioner Updates

[1:10 p.m.](#) Commissioner Stebbins stated that there has just been a formal announcement that the start of construction of the 31 Elm Street project is ready to commence as the property is being transferred to developers. In attendance for the status announcement were Gov. Charlie Baker, Lt. Gov. Karyn Polito, U.S. Rep. Richard E. Neal, Mayor Domenic J. Sarno, M.G.M. Springfield President Chris Kelley, Picknelly and Gilbert J. Winn, C.E.O. of WinnCompanies and MassMutual chairman, president, and C.E.O. Roger Crandall.

[1:11 p.m.](#) **Executive Session pursuant to M.G.L. Chapter 30A Section 21(a)(3) for the purpose of the following discussions to convene at 2:00 p.m.:**
The Commission will now meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to collective bargaining as discussion at an open meeting may have a detrimental effect on the bargaining position of the Commission. The public session of the Commission meeting will not reconvene at the conclusion of the executive session.

So moved by Commissioner Stebbins. Commissioner O'Brien seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

The Commission is anticipated to meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to a matter related to Wynn v. Wells, M.G.C., Wynn Resorts, et al., as discussion at an open meeting may have a detrimental effect on the litigating position of the Commission. The public session of the Commission meeting will not reconvene at the conclusion of the executive session.

So moved by Commissioner Stebbins. Commissioner O'Brien seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

The Commission is anticipated to meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to FBT Everett Realty, L.L.C. v. M.G.C. v. Wynn MA, L.L.C. as discussion at an open meeting may have a detrimental effect on the litigating position of the Commission. The public session of the Commission meeting will not reconvene at the conclusion of the executive session.

So moved by Commissioner Cameron. Commissioner Zuniga seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

The Commission is anticipated to meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to a matter related to FBT

Everett Realty, L.L.C. v. M.G.C. v. Wynn MA, L.L.C. as discussion at an open meeting may have a detrimental effect on the litigating position of the Commission. The public session of the Commission meeting will not reconvene at the conclusion of the executive session.

So moved by Commissioner Stebbins. Commissioner Cameron seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

The Commission is anticipated to meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to City of Revere, and Mohegan Sun Massachusetts, L.L.C. v. Massachusetts Gaming Commission as discussion at an open meeting may have a detrimental effect on the litigating position of the Commission. The public session of the Commission meeting will not reconvene at the conclusion of the executive session.

So moved by Commissioner Zuniga. Commissioner Cameron seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

[1:16 p.m.](#)

With no further business, Commissioner Stebbins moved to adjourn the public portion of the meeting, and conduct the executive session at 2:00 p.m.

Commissioner Cameron seconded the motion.

Roll Call Vote:

Commissioner Stebbins: Aye.

Commissioner O'Brien: Aye.

Commissioner Zuniga: Aye.

Commissioner Stebbins: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated August 13, 2020
2. Draft Commission Meeting Minutes dated June 25, 2020
3. Letter to Senate and House of Representatives re: Race Horse Development Fund Distribution Percentages dated July 20, 2020
4. Memorandum re: Plainridge Request for Premium-Free Period dated August 24, 2020
5. Letter to Dr. Alexandra Lightbown from Steve O'Toole dated August 24, 2020
6. Letter to Dr. Alexandra Lightbown from PPC re: Kentucky Derby Race Day Drive-Through and Walk About Request dated August 14, 2020
7. Draft Amended Small Business Impact Statement for 205 CMR 134.03
8. Regulation Cover Sheet for 205 CMR 134.03
9. Draft Regulation 205 CMR 134.03
10. Draft Amended Small Business Impact Statement for 205 CMR 138.72
11. Regulation Cover Sheet for 205 CMR 138.72
12. Draft Regulation 205 CMR 138.72
13. Draft Amended Small Business Impact Statement for 205 CMR 149.04
14. Regulation Cover Sheet for 205 CMR 149.04
15. Draft Regulation 205 CMR 149.04

/s/ Bruce Stebbins
Secretary

QUARTERLY REPORT

Q3 2020

NOVEMBER 19, 2020
ENCORE BOSTON HARBOR

Gaming Revenue, Taxes & Lottery Sales

GAMING REVENUE & TAXES



Year	Month	Table Games GGR	Slots GGR	Total GGR	State Taxes Collected
2020	July (10-31)	\$10,711,337.99	\$16,266,468.65	\$26,977,806.64	\$6,744,451.66
	August	\$19,065,644.60	\$23,324,704.23	\$42,390,348.83	\$10,597,587.21
	September	\$19,533,077.38	\$23,441,726.51	\$42,974,803.89	\$10,743,700.97
	Total	\$49,310,059.97	\$63,032,899.39	\$112,342,959.36	\$28,085,739.84

LOTTERY SALES



Year	Month	Lottery Sales ¹
2020	July (10-31)	\$63,634.00
	August	\$197,363.00
	September	\$160,807.00
	Total	\$421,804.00

¹The periods for which relevant sales are reported are based upon week-end totals, and may not correspond precisely to calendar month periods.



Employment

EMPLOYMENT¹: ALL EMPLOYEES

Sector	Goal	Q3 % ³	Q3 Total # of Employees in Sector
Minority	40%	54%	1,956
Veteran	3%	3%	104
Women	50%	42%	1,520
Local/Host/Surrounding Community Residents ²	75%	86%	3,110
MA Residents	N/A	89%	3,214
Total Number of Employees	3,604		
Full-time	2,704		
Part-time	900		
On-call	0		

¹ All employee figures were current as of September 27, 2020.

² “Local/Host/Surrounding Community Residents” includes residents from communities within thirty (30) miles of Encore Boston Harbor.



Operating Spend

OPERATING SPEND¹: DIVERSITY

Diversity Category	Annual Goal	Q3 %	Q3 Spend
Minority Business Enterprise	8%	6%	\$842,157.84
Veteran's Business Enterprise	3%	1%	\$188,154.36
Women's Business Enterprise	14%	14%	\$1,980,151.36
Total Diverse Spend	25%	21%	\$3,010,463.56

¹ All spend figures referenced herein are based upon Encore Boston Harbor's Q3 discretionary spend amount of **\$14,377,887.28**.

OPERATING SPEND: LOCAL



Locality	Annual Goal	Q3 %	Q3 Spend
Boston	\$20,000,000.00	14%	\$2,013,177.31
Chelsea	\$2,500,000.00	3%	\$492,121.23
Everett	\$10,000,000.00	5%	\$674,803.79
Malden	\$10,000,000.00	1%	\$176,191.16
Medford	\$10,000,000.00	0%	\$30,771.63
Somerville	\$10,000,000.00	3%	\$404,202.54
State of MA	-	50%	\$7,249,735.28
Additional Spend Commitments	Gift vouchers and/or certificates ¹	-	-
Total Discretionary Spend	N/A	\$14,377,887.28	

¹Pursuant to its Surrounding Community Agreements with the Cities of Malden, Medford and Somerville, Encore Boston Harbor is required to purchase and issue \$25,000 per year in gift vouchers and/or certificates from local businesses in each City to use in its employee and customer loyalty programs. To date, Encore Boston Harbor is processing orders in excess of the \$25,000.00 requirement from Shaw's in Somerville, and Wegman's in Medford. Encore Boston Harbor continues to work to fulfill its requirements to the City of Malden, and all such requirements shall be met by year end.



Quintana
Supply



Encore Boston Harbor purchased approximately \$110,000 in hand sanitizer and other health and safety supplies from Quintana Supply during Q3.



Compliance

COMPLIANCE: MINORS PREVENTED FROM GAMING

Month	Minors Intercepted on Gaming Floor and Prevented from Gaming	Minors Intercepted Gaming	Minors Intercepted at Slot Machines	Minors Intercepted at Table Games	Minors Intercepted Consuming Alcohol	Number of IDs NOT Checked that Resulted in Minor on Gaming Floor	Number of Fake IDs Provided by Minors that Resulted in Minor on Gaming Floor
July (10-30)	1	1	1	0	0	1	0
August	2	0	0	0	0	1	1
September	5	1	1	0	0	4	1
Total	8	2	2	0	0	5	2

- Average length of time spent on casino floor by minors was 42 minutes.
- Longest length of time spent on casino floor by a minor was 2 hours, 6 minutes.
- Shortest length of time spent on casino floor by a minor was 40 seconds.

¹For purposes of this Quarterly Report, “minor” shall mean a person under 21 years of age.



Promotions and Marketing Update



The card that says:
Thank you
for your service.



Introducing the Hero Program

We are proud to recognize heroes by offering exclusive rewards as a token of our appreciation.

- Upgrade to Platinum Tier
- Complimentary shake with the purchase of a lunch or dinner entrée at On Deck Burger Bar Sunday through Thursday
- Complimentary valet service
- Discounted custom massage treatment
- Exclusive events throughout the year



Special Events Update

SPECIAL EVENTS:

2020 James D. P. Farrell Award for Brownfields-Remediation Project of the Year



“The EBC James D.P. Farrell Award for Brownfields-Remediation Project of the Year is awarded to Encore Boston Harbor in recognition of the remarkable redevelopment of the former Monsanto Chemical Company site on the Mystic River in Everett, Massachusetts. The \$2.6B project, the largest private development in the history of Massachusetts, removed 890,000 tons of contaminated soil from the site and included the construction of a living shoreline, a 1MW solar array, 3 MW cogeneration plant, 4MW battery energy storage system, and a rainwater irrigation system. The site is now host to a 27-story hotel tower, convention area, and gaming, retail, and dining venues. The project has revitalized a formerly industrial area of Everett and now hosts a public harborwalk and ferry transportation to and from downtown Boston.”



SPECIAL EVENTS: MICRO WEDDINGS

Encore
BOSTON HARBOR



SPECIAL EVENTS: SHORT-TERM DOCKAGE

Encore
BOSTON HARBOR



Encore Boston Harbor is now taking reservations for short-term dockage through Dockwa, an online marine reservation system. With Dockwa, private vessel owners can easily make a reservation for short-term stays at Encore's dock. Sign up is free. Learn more or make your reservation [online](#).

RESERVE DOCK SPACE

QUESTIONS?





MEMORANDUM

TO: Chair Judd-Stein, Commissioners Cameron, O'Brien, Stebbins, Zuniga

FROM: Jill Griffin, Director of Workforce, Supplier and Diversity

RE: Updated Regional Tourism Marketing And Hospitality Plan and Operational Goods and Services - procurement plan

DATE: November 19, 2020

The Commission is expected to review and vote on two updated plans submitted by Plainridge Park Casino as a requirement of the renewal of their Category 2 Gaming License, 1) A Regional Tourism Marketing And Hospitality Plan and 2) An Operational Goods And Services Procurement Plan.

Background

At the September 30, 2020 MGC public meeting regarding Plainridge Park Casino license renewal, Commission staff reported that PPC has been in material compliance with all conditions attached to the initial award of its gaming license, including the original 2015 Regional Tourism Marketing And Hospitality Plan and the Operational Goods And Services Procurement Plan entitled, Plan for Local and Traditionally Disadvantaged & Diverse Businesses approved by the Commission in 2014. The renewal process culminated in a final public review of the application for renewal by the Commission on September 30, 2020. By a vote of 5-0, the Commission renewed the Category 2 license issued to the gaming licensee for a second term of 5 years commencing June 24, 2020.

At the same public meeting, MGC Staff recommended that PPC update both plans for discussion and vote by the Commission at a future meeting.

Regional Tourism Marketing and Hospitality Plan

As referenced By Renewal Of Category 2 Gaming License Awarded To Plainville Gaming And Redevelopment, Llc (D/B/A/ Plainridge Park Casino) License Condition 6 requires *Compliance with a regional tourism marketing and hospitality plan which shall be subject to approval by, and amendment at the direction of, the Commission. Such plan shall be prepared in furtherance of G.L. c. 23K, §1(6) and in consultation with the regional tourism council.*

MGC staff reports that PPC submitted a draft updated Hospitality Plan on September 20, 2020 and a revised plan on November 13, 2020 following feedback from MGC staff and meetings with the Keiko Orall, Director of MA Office of Travel and Tourism and Martha Sheridan, President and CEO of the Greater Boston Convention and Visitors Bureau. In the plan, PPC pledges to work collaboratively with various entities within the travel and tourism sector of Massachusetts including Greater Boston area, Bristol County, Plymouth County, Cape Cod, Metro West and others.

Operational Goods and Services - Procurement Plan

As referenced By Renewal Of Category 2 Gaming License Awarded To Plainville Gaming And Redevelopment, Llc (D/B/A/ Plainridge Park Casino) License Condition 4 requires. *Compliance with the terms and conditions of the following plans and programs subject to amendment as required or allowed by the Commission: b). (upon approval by the Commission) the affirmative marketing program for provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment as described in G.L. c. 23K, §21(21)(iii);*

Plainridge Park casino submitted a draft plan in September 2020 and a revised plan on November 13, 2020.

Recommendation

MGC Staff recommends that the Commission approve both Plainridge Park Casino's Regional Tourism Marketing and Hospitality Plan and their Operational Goods and Services - Procurement Plan.



PLAINRIDGE PARK
CASINO

**Plainridge Park Casino
Purchasing Practices Plan for Local and Traditionally
Disadvantaged & Diverse Businesses**

Table of Contents

Introduction	3
Reporting Schedule	3
Continued Growth of the Plan	4
Areas of Ongoing Eligible Spend	5
Communication Strategy	6
Diversity Committee	6
Commitment	7
Definitions	8

Introduction

In accordance with License Condition #4b, Penn National Gaming Inc. (Penn) has developed this comprehensive diversity and local purchasing plan for the ongoing procurement of goods and services for the operations of Plainridge Park Casino in Plainville, Massachusetts. The plan was originally implemented in preparation for the for the opening of the property. It was designed not only to provide equal opportunity to traditionally disadvantaged groups but also to promote the support of local businesses within the Commonwealth of Massachusetts. Throughout the first five years of operation, Plainridge Park was able to meet or exceed diversity spending goals. Because of our initial success, the plan will continue to be implemented by engaging in aggressive outreach, recruitment, and training to identify qualified local and minority, women, and veteran-owned businesses, and provide them the opportunities to apply for contracts with us.

While the Plan refers frequently to Minority Business Enterprise (“MBE”), Women Business Enterprise (“WBE”) and Veteran Business Enterprise (“VBE”) companies, the inclusive diversity philosophy of Plainridge Park Casino is intended to be more far reaching than simply the inclusion of minorities, women and veterans. We have an equal focus on the use of local businesses from our host community of Plainville, our designated surrounding communities, and throughout the Commonwealth.

This Plan describes Plainridge Park Casino’s strong commitment to ensure diversity and opportunity for local businesses in the ongoing procurement of goods and services for the facility operations. The Plan emphasizes our commitment to diversity and local purchasing as it relates to our vendors, our business partners and our community. In sum, we appreciate and respect diversity in all aspects of our business operations and we look forward to supporting and participating in the local community as we continue to build a regional and statewide engine of economic growth.

Plainridge Park Casino set procurement goals for ongoing operations that match those of the Commonwealth for state agencies: 6% MBE, 12% WBE, and 3% VBE. We met or exceeded these goals during the first five years of operations. We feel these goals continue to be appropriate for Plainridge Park Casino.

Reporting Schedule

As required pursuant to License Condition #4b and Chapter 23K, Subsection 21 of the Massachusetts Gaming Statutes, Penn is required to provide an annual report on performance of the facility’s procurement program as it compares to the goals set in this document. We provide these reports on a quarterly basis, or as requested by the Commission, to ensure that the program is on track. These reports track progress toward the goals established in this plan.

Timely, effective and continuing outreach efforts are critical to our ongoing program. As a result, Penn has maintained its outreach efforts during the first five years of operations, including:

Revision submitted to MGC on November 13, 2020 – Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses

- Vendor Licensing Event held at PPC in November 2015. Included MGC Vendor Licensing Team, Supplier Diversity Office, Massachusetts Chamber of Commerce Executives, MA Chamber Members, and selected vendors who needed to complete their MGC registration
- Member of Neponset Valley Chamber of Commerce, New Bedford Area Chamber of Commerce, South Shore Chamber of Commerce, Tri-Town Chamber of Commerce and The United Regional Chamber of Commerce.
- Corporate member of the Greater New England Minority Supplier Development Council (GNEMSDC) and Center for Women & Enterprise (CWE) since 2015.
- Penn National Gaming is also a corporate member of the National Minority Development Council (NMSDC) since 2020.
- Annual participant in the GNEMSDC Business Opportunity Conference & Expo.
- Annual participant in the CWE Women Business Leaders Conference.
- Annual participant in Tri-Town Chamber of Commerce Business Expo.
- Partnered with VeraCloud for pilot program identifying potential suppliers.
- Presenter at Veteran Business Event Program hosted by MGC November 2018.
- Actively working with PNG Procurement Team to identify new diverse vendors who have experience working with our properties.

Continued Growth of the Plan

The property successfully implemented its purchasing plan in 2015 upon opening. The property continues to focus on identifying and growing diverse and local spend.

Supplier Selection Criteria

Suppliers will be considered based on the following criteria, as adopted from the AGA's standards for the gaming industry and selected based on best overall value:

- Ability for the supplier to meet specifications and standards
- Product and service quality
- Competitive prices
- Dependable delivery
- Quality control methods and practices
- Technical abilities and leadership
- Financial reliability
- Compatibility with existing products
- Adequate facilities and resources

Revision submitted to MGC on November 13, 2020 – Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses

- Spare parts availability
- Warranty, insurance, and bonding provisions
- Proven performance and experience

In addition to our aggressive outreach and recruitment activities, we have also implemented two additional policies regarding minority, women, veteran and local business opportunities with Plainridge Park Casino:

1. Any qualified diverse supplier will be afforded a 5% consideration over competitive bids. This consideration will allow diverse suppliers a competitive edge over other suppliers.
2. MBE/WBE/VBE and local, Massachusetts-based vendors will be eligible in the future to participate in Penn’s credit card payment program. This program provides accelerated payment to these vendors upon completion of services or upon delivery of goods.

A copy of the AGA’s “Diversity in Spending” document is attached to this document as Addendum 1.

Areas of Ongoing Eligible Spend

Our list of ongoing operational needs contains but is not limited to:

<i>Promotions/Giveaway Supplies</i>
<i>Equipment Repairs & Maintenance</i>
<i>Specialty Gasses</i>
<i>A/V Tech Sound</i>
<i>ID/Badging Supplies</i>
<i>Food & Beverage Vendors</i>
<i>Money Handling Supplies</i>
<i>Landscaping Services</i>
<i>Janitorial Supplies</i>
<i>Printing & Advertising</i>
<i>Beer Line Cleaning</i>
<i>IT Software/Equipment</i>
<i>Pest Control</i>
<i>Office Supplies</i>
<i>Electrical Supplies</i>
<i>Surveillance Supplies</i>
<i>Document Destruction</i>
<i>Food & Beverage Equipment</i>
<i>Electrical Services</i>
<i>Medical & Safety Supplies</i>
<i>F&B Hood Cleaning</i>
<i>Equipment Rentals</i>
<i>Landscaping Materials</i>
<i>Furniture</i>

Communications Strategy

Plainridge Park Casino utilizes multiple avenues of communications to advertise vendor opportunities on an ongoing basis. We use a combination of earned media, social media and partner organizations to advertise vendor opportunities with the casino. We have hosted vendor fairs and advertised for each appropriately. We have worked with and communicated through partner organizations (such as The Massachusetts Supplier Diversity Office, The Greater New England Minority Supplier Development Council, the local office of Minority Business Development Agency Center, the local office of the United States Small Business Administration, the Veteran Business Owner's Initiative, the Town of Plainville and our designated surrounding communities, the United Regional Chamber of Commerce, the NAACP New England Area Conference, MGC Vendor Advisory Team members and through the MGC's communications team and their online and social media portals) to advertise vendor fair events and contract opportunities with the casino.

Diversity Committee

Penn and its corporate management team have established a diversity committee for the purpose of driving diversity awareness around Penn National Gaming, our team members, vendors and surrounding communities. We are committed to fostering an environment of respect, empathy, and equal opportunity. The diversity committee will include, but not be limited to, the following:

- Justin Carter (General Manager of Hollywood Casino Toledo, OH)
- James Zubay (Regional Director of Strategic Sourcing, Penn)
- Eli Huard (Regional Director of Strategic Sourcing, Penn)

The Diversity Committee has specialized subcommittees who focus on specific areas related to our common goals. One such subcommittee is primarily focused on procurement. Their mission is to identify and create new opportunities for diverse suppliers, track and drive increased diversity spend company wide, and foster relationships between disadvantaged suppliers and PNG properties to create an environment that promotes growth and sustainability. Members of the procurement diversity subcommittee will:

- Identify and attend key diversity events around the country
- Plan and execute PNG centric diversity events in each region
- Work with the PNG Procurement Team to identify qualified diverse vendors as either primary or secondary sources for national programs
- Assist qualified suppliers to grow sales by expanding to additional properties within their reach (Example: Kittredge Equipment, Massachusetts-based WBE, now sells to ME, PA, OH, and WV properties stemming from relationship started at PPC)

Eli Huard, a designated member of the diversity committee is also the liaison to the MGC's Vendor Advisory Committee and the primary contact for the MGC on procurement related

Revision submitted to MGC on November 13, 2020 – Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses

topics. Member(s) of the committee will also participate in the meetings of the MGC’s Vendor Advisory Committee on a regular basis and will also look to source diverse and local businesses from these members as well.

Commitment

Plainridge Park Casino and Penn are committed to creating a diverse workforce and supplier base that promotes an environment of value, respect and empowerment. Our commitment to making inclusiveness the foundation for our culture is driven not only from our desire to enhance our community, but also because such commitment supports a sound business strategy.

Definitions

Diversity refers to the variety of backgrounds and characteristics found in society today; it embraces all aspects of human similarities and differences. While we support diversity as an inclusion concept, reality compels us to focus considerable attention on addressing issues related to those individuals and groups that have historically been adversely affected. For purposes of the Plan, diversity specifically focuses on differences among people with respect to age, sex, culture, race, ethnicity religion, color, disability, national origin, ancestry, sexual orientation and veteran status.

Operations-Related Procurement Program

The operations-related procurement program applies to the purchasing of the fixtures, furniture and equipment to outfit the facility and non-excluded (see definition of “exclusion” below) goods and services following the completion of construction.

Definition of Minority

A *minority* is an individual whose cultural heritage is African, American Indian, Asian, Hispanic (Central/South American or Caribbean), Eskimo or Aleut or of the original peoples of the Cape Verde Islands.

Definition of Women

Women are persons who are identified or who identify as being of the female gender. Participation goals are set for all women, regardless of race or ethnicity.

Definition of Veteran

A *veteran* is anyone who has served in the United States Armed Forces and has been honorably discharged.

Definition of Minority Business Enterprise (“MBE”)

Minority business enterprise or “MBE”, for the purpose of receipt of services from SDO, means a business enterprise that is owned and controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic

Revision submitted to MGC on November 13, 2020 – Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses

circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Cape Verdeans, Western Hemisphere Hispanics, Asians, American Indians, Eskimos, and Aleuts. For purposes of section 61 and of section 40N of chapter 7, the term “minority owned business” shall have the same meaning as “minority business enterprise”^{*} and as defined by the certifying agencies listed on page 8 of this document.

Definition of Women Business Enterprise (“WBE”)

Women business enterprise or “WBE”, for the purpose of receipt of services from SDO means a business enterprise that is both owned and controlled, by one or more women who have invested in an ongoing business free of conversion rights. For purposes of section 61 and of section 40N of chapter 7, the term “women owned business” shall have the same meaning as “women business enterprise”^{*} and as defined by the certifying agencies listed on page nine of this document.

Definition of Veteran Business Enterprise (“VBE”)

Veteran business enterprise or “VBE”, a business enterprise that is both owned and controlled by one or more veterans, as defined in section 7 of chapter 4, who has invested in an ongoing business free of conversion rights.*

Exclusion Spend

The *Exclusion Spend* is defined by the American Gaming Association’s “Diversity in Spending” as the total spend in goods and services minus:

	<i>Example</i>
Where a monopoly in a particular market or industry exists	Slot machines because there isn’t a minority-owned slot machine vendor in the United States.
Is not and never will be a biddable option for the gaming industry	Services related to the testing of slot machines or regulatory oversight of the gaming operation by a third-party vendor per the state’s direction but at the cost of the gaming operator(s).
The good or service is government regulated	Aircraft fuel, postage, taxes, liquor licenses, etc.

The AGA’s “Diversity in Spending” document contains the full list of exclusion and inclusion spend categories and is attached to this document as “Exhibit A.”

* As defined in the Commonwealth of Massachusetts General Laws, Part I, Title II, Chapter 7, Section 58. <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter7/Section58>

* As defined in the Commonwealth of Massachusetts General Laws, Part I, Title II, Chapter 7, Section 58. <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter7/Section58>

* As defined in the Commonwealth of Massachusetts General Laws, Part I, Title II, Chapter 7, Section 58. <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter7/Section58>

Definition of Vendor

A vendor is an individual or business that provides goods and services to the project but are not considered design and construction trades. These goods and services include but are not limited to, couriers, printers, waste management, office and janitorial supplies, janitorial services, food and beverage services, etc.

Definition of Local Vendor

A *local vendor* is any business located within the Commonwealth of Massachusetts with preference given to businesses located within our host and designated surrounding communities.

Certifying Agencies

This project will recognize and accept certifications from the following certifying bodies:

- Massachusetts Supplier Diversity Office (SDO);
- Greater New England Minority Supplier Development Council (GNEMSDC);
- Women’s Business Enterprise National Council (WBENC);
- Vendor Information Pages Verification Program located at www.VetBiz.gov
- Department of Veterans’ Business Affairs
- And, when applicable, as verified by the MGC’s Division of Licensing



AMERICAN GAMING ASSOCIATION

Diversity in Spending

The commercial casino industry has been a long-time proponent of diversity in all aspects of its business, from internal hiring and human resources policies to purchasing and contracting practices. The commercial casino industry and the companies that comprise it are engaged in a variety of initiatives to fulfill this commitment.

The AGA's diversity programs are overseen by the AGA Diversity Task Force. Created in 2000, the task force promotes inclusion in all aspects of the commercial casino industry. It conducts workshops for industry professionals, suppliers, and minority, women, and disadvantaged business enterprises (MWDDBE); collects data on industry diversity; and creates and organizes programs designed for industry-wide implementation.

The success of the industry's diversity efforts is measured in two reports: [Gaming Industry: Employment Diversity Snapshot](#) and [Gaming Industry: Spend Diversity Snapshot](#).

In November 2006, the Purchasing and Contracting subcommittee of the AGA Diversity Task Force launched a Tier II Diversity Reporting Program for suppliers. The program requires companies who supply the commercial casino industry with goods and services to report on their own diversity practices in the areas of purchasing and contracting. The program does not mandate a diversity threshold that suppliers have to meet, but the Diversity Task Force informed suppliers that companies doing a better job with diversity would be more attractive business partners for casino companies.

Enclosed are purchasing parameters that were an outcome of the Purchasing and Contracting subcommittee.

Hard Exclusions

Definition:

- Monopoly in a particular market or industry;
- Government regulated; and/or
- Is not and never will be a biddable option for the gaming industry

Spend Categories in this area

- Aircraft Fuel
- Customer Comps
- Customer Refunds
- Employee-related Expenses
- Payroll
- Reimbursements
- Directors Fees
 - Fees to Parent Companies
 - Fines
 - Gaming Fees (ex. participation games, table game leases)
 - Garnishments
 - Government Agencies
 - Inter-company (internal) payments
 - Licenses
 - Litigations/Risk Settlements
 - Mail Pay (Sports Book)
 - Permits
 - Petty Cash
 - Postage
 - Regulatory Fees
 - Settlements
 - Taxes
 - Travel Agency Commissions

Hard/Soft Exclusions (hard today but potential exists for the inclusion of diversity in the future)

Definition:

- Not biddable today due to current market conditions (i.e. lack of maturation in supplier base)
- Long term area for exploration – fertile area for collaboration with a mature company

Spend Categories in this area

- Credit card fees
- Accounting fees
- Alcoholic Beverages
- Bank fees
- Employee Benefits
- Express Mail

- Gaming Equipment companies
- Gasoline
- Insurance and Claims
- Loans/Interest
- Utilities
- Workman's Compensation

Soft Exclusions

Definition:

- Not biddable because decisions purely based on market conditions and/or factors

Spend Categories in this area

- Rent – what the facility sits on (i.e. land, boat/barge)
- Entertainment – entertainers selected based on anticipated draw of customers to casino
- Independent Agents – junket operators
- Inter-casino payments (ex. Caesar's purchases show tickets to an event at MGM)
- Leased retail enterprises

Excluded from Purchasing denominator only

Definition:

- Purchasing has no effect and/or control over how dollars are allocated so exclude from Purchasing denominator
- Able to include spend and diversity requirements in a separate area of the business

Spend Categories in this area

- **Philanthropy**
 - Donations
 - Non-profit
- **Construction**
 - Industry specific sourcing – Purchasing organization's don't specialize and attract specialists in this area
 - Pertains to architectural costs of building the building

Spend Categories currently excluded but now need to be included:

- Busses
- Drug Tests and Physicals
- Dues and Subscriptions
- Freight
- Gasses (ex. sterno, pyrotechnic, etc.)
- Legal Fees
- Lobbyists
- Non-goods and services

- Out of country vendors
- Seminars and Training
- Shipping or Courier
- For-profit sponsorships
- Temporary Services
- External Travel Agencies

Inclusions

Definition:

- Non-monopoly in a market or industry;
- non-government regulated; and/or
- the commodity is a biddable option.

Sample Products & Services

- **Food**
Meat, Poultry, Seafood, Dairy Products, Dry Goods, Produce, Frozen Products, Bakery Items, Canned Goods, Condiments, Ethnic Foods, Specialty Items.
- **Beverage**
Tea, Liquor, Domestic & Imported Wines, Beer, Water, Coffee.
- **General Equipment & Supplies**
Housekeeping Equipment & Supplies, Office Supplies & Equipment, Audio Visual Equipment, Banquet Equipment, Computer Equipment, Cleaning Equipment, Security/Surveillance Equipment, Cell Phones/Radios/Beepers, Marina Equipment, Signage, Food & Beverage Equipment.
- **Gaming Equipment & Supplies**
Casino Equipment, Casino Supplies, Slot Signage
- **FF&E**
Artwork, Carpet, Drapery, Furniture, Glass/Mirror, Upholstery, Wall Coverings, Wood Flooring, Tile.
- **Operating Inventories**
China, Glassware, Flatware/Holloware, Linen, Uniforms, Cleaning Chemicals, Guest Room Amenities, Food & Beverage Disposables, Hotel Supplies, Kitchen Supplies.
- **Engineering/Facilities**
Facilities/Engineering Supplies, General Maintenance Supplies, Repairs & Maintenance.
- **Retail**
Accessories, Apparel, Art, Cosmetics/Fragrances, Gifts, Jewelry, Lingerie, Logo Apparel, Men's Wear, Toys & Games, Shoes, Souvenirs, Swimwear, Gifts/Specialty Items.

- **Construction / Contracting**
Concrete, Demolition, Drywall, Electrical, Landscaping, Life Safety, Mechanical, Millwork, Painting, Reinforced Steel, Structural Steel, Construction Equipment.
- **General Services**
Consulting, Staffing, Decorating, Advertising, Printing, Repairs & Maintenance, Freight, Janitorial.

Supplier Selection Criteria

- Ability to meet specifications and standards
- Product and service quality
- Competitive prices
- Dependable delivery
- Quality control methods and practices
- Technical abilities and leadership
- Financial reliability
- Compatibility with existing products
- Adequate facilities and resources
- Spare parts availability
- Warranty, insurance, and bonding provisions
- Proven performance and experience



Plainridge Park Casino Marketing and Hospitality Plan

In accordance with license condition #6, Plainridge Park Casino (PPC) is committed to maintaining existing and establishing new relationships with local chambers and tourism entities within Massachusetts. PPC will continue to expand on the initiatives that have been established over the last 5 years. Our Marketing and Hospitality plan will focus on leveraging our proximity to various major attractions, as well as supporting other regions and local businesses throughout the Commonwealth.

During this critical time in Massachusetts and across the country, PPC continues to follow Massachusetts COVID-19 orders and the CDC guidelines for the safety of our guests and employees. The hospitality plan outlined below will be modified as needed to ensure we work together with our communities to help stop the spread of COVID-19.

Massachusetts Office of Travel and Tourism:

PPC will work collaboratively with various entities within the travel and tourism sector of Massachusetts including Greater Boston area, Bristol County, Plymouth County, Cape Cod, Metro West and others.

Together we will identify regional promotional opportunities with focus on new revenue from other states, recapturing lost business to our bordering states and encouraging residents to support local businesses.

- Work with tour operators within the state to identify region to region attractions
- Utilize the mychoice® database to promote MA as a vacation destination
- Feature upcoming local attractions and events on our website, social media, e-mail/flipbooks and direct mail

PPC will promote My Local MA campaign creating awareness and cross marketing efforts supporting small local businesses encouraging residents of MA to eat local, stay local and shop local.

- PPC will feature local retail shops, hotels and restaurants from various regions each month.
- PPC will create a display on property featuring product and details from the featured business

- PPC will offer free slotplay to guests and a gift card to employees if they present a receipt from featured business

Partnerships to Promote State and Local Regional Tourism:

Continue to leverage proximity of PPC to major area attractions to increase visitation and incremental revenue for new and existing businesses in the Metro West, Bristol County Regions and other regions.

PPC will work with the surrounding attractions and venues within Massachusetts to develop programs and identify synergies.

- Continue relationships with area attractions such as Patriot Place, Wrentham Village Premium Outlets, TPC Boston and Fenway. resulting in increased customer volume and revenue for new and existing businesses in the Metro West and Bristol County Regions.
- Identify opportunities with local businesses to create a “package” for tourists that will allow them to experience all the region has to offer. Examples include stay and play packages by partnering with local hotels, Camp and Play packages, Golf and Play Packages.
- Work with regional tour groups on day trips
- Work closely with surrounding communities to identify opportunities:
 - Continue to support efforts for the Economic Development Fund that has been granted to Foxboro, Wrentham and Plainville
 - Utilize and promote new GATRA route

Communication Marketing and Hospitality Plan

Through various digital outlets, PPC will support initiatives by creating awareness and promoting regional marketing efforts:

- Educate staff on initiatives through monthly bulletin boards and newsletters
- Marketing and Hospitality plan will be part of PPC’s Success Factors training portal for all team members
- PPC will participate in various events to show support and host events when possible
- PPC will meet quarterly with travel and tourism sectors to discuss new ideas and opportunities
- Links to important travel and tourism sites, events and newsletters posted on PPC website
- Utilize Social Media and email to promote and generate awareness
- Share links and QR codes in monthly direct mail and email to mychoice database



21

COMMUNITY MITIGATION FUND

2021 COMMUNITY MITIGATION FUND GUIDELINES BD-21-1068-1068C-1068L-_____

Appendix A - Table of Contents

- 1.0 Community Mitigation Fund Grant Program 1
- 1.1 When Is the Application Deadline? 1
- 1.2 Who Can Apply? 1
- 1.3 What Cannot Be Funded? 2
- 1.4 How Much Funding Will Be Available? 3
- 1.5 Joint Applications 4
- 1.6 Limitations/Specific Requirements on Reserve and Planning Applications 5
- 2.0 Grant Categories 5
- 2.1 2015/2016 Reserve Grants 5
- 2.2 Specific Impact Grants 6
- 2.3 Community Planning Grants 7
- 2.5 Transportation Construction Grants 9
- 2.6 Workforce Development Grants 10
- 2.7 Tribal Gaming Technical Assistance Grants 12
- 3.0 Application Requirements 13
- 3.1 What Should Be Included in the Applications? 13
- 3.2 How Will the Commission Decide on Applications? 13
- 3.3 When Will the Commission Make Decisions? 15
- 3.4 Authorization to Approve Requests for Changes to Components of Grant Awards 15
- 3.5 Waivers and Variances 15
- 3.7 Who Should be Contacted for Questions? 16
- 3.8 Where Should the Application be Sent? 16



Massachusetts Gaming Commission



21

COMMUNITY MITIGATION FUND

2021 COMMUNITY MITIGATION FUND GUIDELINES BD-21-1068-1068C-1068L-_____

1.0 Community Mitigation Fund Grant Program

The Expanded Gaming Act created the Community Mitigation Fund (“CMF”) to help communities and other entities offset costs related to the construction and operation of a gaming establishment. For 2021, the following grant categories are available for communities:

- 2015/2016 Reserve Grant;
- Specific Impact Grant;
- Community Planning Grant;
- Transportation Planning Grant;
- Transportation Construction Grant;
- Workforce Development Grant;
- Tribal Gaming Technical Assistance Grant; and
- Emergency Mitigation Grant.

Each of these categories is further described in Section 2.0 of these Guidelines.

1.1 When Is the Application Deadline?

January 31, 2021

1.2 Who Can Apply?

M.G.L. c. 23K, § 61 and the Commission’s regulations identify a range of eligible entities including, but not limited to:

- communities in the vicinity of the gaming establishment including: host and surrounding communities; each community that entered into a nearby community agreement; any community that petitioned to be a surrounding community; and each community that is geographically adjacent to a host community;
- water and sewer districts in the vicinity of a gaming establishment;
- local and regional agencies involved in education, transportation, infrastructure, housing and environmental issues; and
- public safety agencies, including the office of the county district attorney, police, fire, and emergency services.



Massachusetts Gaming Commission

The Commission's regulations do not limit use of Community Mitigation Funds to only host or surrounding communities.

Applications involving a mitigation measure impacting only one community shall only be submitted by the authorized representatives of the community itself. Governmental entities within communities such as redevelopment authorities or non-regional school districts shall submit applications through such community rather than submitting applications independent of the community.

Private non-governmental parties may not apply for Community Mitigation Funds. Governmental entities may apply to the Commission for funds to mitigate impacts provided that the funding is used for a "public purpose" and not the direct benefit or maintenance of a private party or private parties. The Commission strongly encourages applicants to ensure that the impacts are directly related to the gaming facility and that the public purpose of such mitigation is readily apparent. The Commission will not fund any applications for assistance for non-governmental entities.

Please note that as stated by the Commonwealth's Comptroller's Office: "The Anti-Aid Amendment of the Massachusetts Constitution prohibits 'public money or property' from aiding non-public institutions.... Article 46 has been interpreted to allow the expenditure of public funds to non-public recipients solely for the provision of a 'public purposes' [sic] and not for the direct benefit or maintenance of the non-public entity."

Any governmental entity seeking funding for mitigation is required to ensure that any planned use of funding is in conformity with the provisions of the Massachusetts Constitution and with all applicable laws and regulations, including but not limited to, Municipal Finance Law and public procurement requirements.

1.3 What Cannot Be Funded?

2021 Community Mitigation Fund may not be used for the mitigation of:

- impacts that are projected or predicted but that are not occurring or have not occurred by January 31, 2021;
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction and operation of gaming establishments;
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions; and
- other impacts determined by the Commission.

Please note that the Commission may determine to expand the eligible uses of funds for the 2021 program or other future programs when impacts are more clearly identifiable. The

Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

1.4 How Much Funding Will Be Available?

The Commission has determined a target spending amount of \$12.5 million for fiscal year 2021. If the 2021 target is met, the CMF would still have an estimated unallocated balance of over \$1.7 Million from funds generated by December 31, 2020.

Allocation by Region

The Commission intends to allocate 2021 CMF funding based on the proportion of funds paid into the CMF from the taxes and fines generated by the MGM Springfield and Encore Boston Harbor facilities.¹ These include revenues generated during calendar year 2020 as well as unspent monies from previous years.

For the 2021 year, the Commission plans to allocate \$12.5 million between the two regions and the Category 2 facility as follows:

- Region A \$6 million
- Region B \$6 million
- Category 2 \$0.5 million

Category 2 grants will be split equally between Region A and Region B. If the \$0.5 million is not necessary for Category 2 grants, more spending would be available for Region A and Region B.

The Commission determined in grant year 2020, that any unused funds allocated to each Category 1 Region will be set aside for that Region for a period of three years. After the three-year period, the funds shall be allocated back into a combined fund for all regions and for Category 2 impacts. It is the intention of the Commission to count any allocated regional balances first toward 2021 spending targets. The following is the status of the unused funds by calendar year:

CMF Funds Rolled Over from Previous Years

	Region A	Region B
2018		\$ 637,255
2019	\$ 1,285,494	\$ 4,126,667
Total	\$ 1,285,494	\$ 4,763,922

¹ These Guidelines do not describe revenue estimates from the potential Tribal facility in Taunton or the participation of a Region C facility, as no Region C license or Tribal facility has yet been fully authorized.

1.5 Joint Applications

The Commission continues to support regional approaches to mitigation needs and recognizes that some mitigation requires the commitment of more than one community. The 2021 Guidelines allow multiple communities to submit a joint application. If any of the applicant communities has not expended its 2015/2016 Reserve, the application must detail how the reserves will be allocated between the applicant communities to meet any reserve expenditure requirement. For example, transportation planning grants require that reserves be used prior to the receipt of new planning funds. In the event of a joint application for a \$200,000 planning grant, the joint application shall specify how the applicant communities will allocate/use a total of \$100,000 in reserves between the communities. The application must specify which community will be the fiscal agent for the grant funds. All communities will be held responsible for compliance with the terms contained in the grant.

To further regional cooperation, the applications for Transportation Planning Grants and Community Planning Grants that involve more than one community for the same planning projects may request grant assistance that exceeds the limits specified in these Guidelines. The additional funding may be requested only for the costs of a joint project being proposed by more than one community, not similar projects. Eligible communities may request additional funding for joint projects based on the below table.

	Base Funding	Regional Planning Incentive Award	Total Allowable Request
Community Planning Projects Involving Two (2) Communities	\$100,000 for each community	\$10,000	\$100,000 X <u>2 communities</u> <u>\$200,000+\$10,000=</u> <u>\$210,000</u>
Community Planning Project Involving Three (3) or More Communities	\$100,000 for each community	\$15,000*	\$100,000 X <u>3 communities</u> <u>\$300,000+\$15,000=</u> <u>\$315,000</u>
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	\$200,000 X <u>2 communities</u> <u>\$400,000+\$25,000=</u> <u>\$425,000</u>
Transportation Planning Projects Three (3) or more Communities	\$200,000 for each community	\$50,000*	\$200,000 X <u>3 communities</u> <u>\$600,000+\$50,000=</u> <u>\$650,000</u>

*The maximum Community Planning Regional Incentive is \$15,000 and the maximum Transportation Planning Regional Incentive is \$50,000 regardless of the number of communities participating.

Please note that communities can apply for a portion of the planning grants for single community applications while allocating a portion for joint projects. For example, a community could apply for one \$100,000 base Transportation Planning Grant leaving \$100,000 for a joint application involving another community. In this example the community could be eligible for \$100,000 for the single community project, \$100,000 for a joint project, and a \$25,000 Regional Planning Incentive Award amount shared with a second community.

Applications seeking a Regional Planning Incentive Award amount shall allocate at least fifty percent (50%) of the base funding level towards a joint project. For example, at least \$100,000 of a \$200,000 Transportation Planning Grant seeking an additional Regional Planning Incentive Award amount shall be for the joint project with another community. No community is eligible for more than one Transportation Regional Planning Incentive Award. No community is eligible for more than one Community Regional Planning Incentive Award.

1.6 Limitations/Specific Requirements on Reserve and Planning Applications

The Commission will fund no application for any municipal employee for more than two years. The CMF will not pay the full cost of any municipal employee. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. For non-personnel costs, each community applying for planning funds must also provide detail on what it will contribute to the planning project such as in-kind services or planning funds.

The Commission will evaluate requests for planning funds after taking into consideration input the applicant has received from the local Regional Planning Agency ("RPA") or any such interested parties. Although there is no prerequisite for using RPA's for planning projects, consultation with RPA's is required to enable the Commission to better understand how planning funds are being used efficiently across the region of the facility. Please provide details about the applicant's consultation with the RPA or any such interested parties. Applicants should provide detail regarding consultations with nearby communities to determine the potential for cooperative regional efforts regarding planning activities.

2.0 Grant Categories

The following are the grant categories for the 2021 CMF. Applicants may apply for grants in more than one category; however, any individual project may only be included under one grant category.

2.1 2015/2016 Reserve Grants

In 2015 and 2016, a \$100,000 Reserve was established for communities near the gaming establishments.

Communities may continue to access whatever portion of the original \$100,000 that remains unexpended. This Reserve can be used to cover impacts that either have occurred or are

occurring in 2021. It may also be used for planning, either to determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts.

Funds will be distributed as the needs are identified; applications will be accepted on a rolling basis. Communities that utilize the Reserve are not prohibited from applying for funding for any specific mitigation request.

There are still several communities that have not fully expended their Reserves. Since these Grants are at least five years old, the Commission urges communities to consider whether there are any casino related impacts that need to be addressed. The Commission will give these communities until the end of Calendar Year 2021 to commit these funds. Any funding not committed to a project by that time will be rolled back into the CMF and allocated equally between the Regions.

There are some special requirements around the use of the Reserve as follows:

- If a community is applying for a Transportation Planning Grant, Reserve funds must be expended before accessing Transportation Planning Grant funds; and
- If a community is applying for a Specific Impact Grant and has Reserve funds available, the Reserve will be used as an offset against the amount requested for the specific impact. The Reserve amount will be reduced by fifty thousand dollars (\$50,000) assuming the specific impact request is at least that amount.

2.2 Specific Impact Grants

Specific Impact Grants may be used only to mitigate impacts that either have occurred or are occurring as of the January 31, 2021 application deadline.

No application for a Specific Impact Grant shall exceed \$500,000 unless a waiver has been granted by the Commission as outlined in Section 3 of these Guidelines. No community is eligible for more than one Specific Impact Grant, however, communities may apply for multiple purposes in one application.

The Commission has determined that the funding of unanticipated impacts will be a priority. Thus, the Commission will review funding requests in the context of any host or surrounding community agreement to help determine funding eligibility. The CMF is not intended to fund the mitigation of impacts already being funded in a Host or Surrounding Community Agreement.

Allowable impacts for funding are as follows:

- **Operational Impacts of Gaming Facilities:** The Commission will make funding available to mitigate gaming facility operational impacts that are being experienced or were experienced by the January 31, 2021 application deadline.

Operational impacts include: public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm

water run-off, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community.

Although these definitions include the types of operational impacts that may be funded, it is not limited to those. The determination will be made by the Commission after its review.

- **Public Safety Operational Costs:** Grants for public safety operational costs shall not exceed \$200,000 per community, unless a waiver is granted by the Commission in accordance with the waiver requirements outlined in Section 3. All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grant funds shall not be used to pay for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments.

Applicants must include detailed hourly estimates for the costs of any public safety personnel costs. Applicants should include the most relevant information describing historical service or staffing levels ("baseline information") in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. In describing any historical service levels, applicants should identify any time limited or "pilot" type operations which may have a bearing upon any determination of how the baseline service levels should be calculated. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.

Please note that any 2021 public safety grants shall have a duration of only one year, unless otherwise determined by the Commission. Any grant awards issued in **2021 SHOULD NOT** be considered to provide any guarantee or indication of future funding.

2.3 Community Planning Grants

Community Planning Grants are available for all communities that received Reserve Grants and have already allocated and received Commission approval of the use of its Reserve. No application for a Community Planning Grant shall exceed \$100,000. Applications involving transportation planning or design are not eligible for the 2021 Community Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Eligible planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. The planning project must be clearly related to addressing issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the planning effort prior to funding being awarded. Each community will also need to provide detail on what it will contribute to the project such as in-kind services or planning funds. Planning projects may include programs created by communities to provide technical assistance and promotion for groups of area businesses.

Communities that utilize this 2021 Community Planning Grant are not prohibited from applying for funding for any specific mitigation request.

2.4 Transportation Planning Grants

The Commission will make funding available for certain transportation planning activities for all communities eligible to receive funding from the CMF.

The total funding available for Transportation Planning Grants will likely not exceed \$1,000,000. No application for a Transportation Planning Grant shall exceed \$200,000.

Eligible transportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results.

Eligible expenses to be covered by the Transportation Planning Grant include, but not necessarily limited to:

- Planning consultants/staff
- Data gathering/surveys
- Data analysis
- Design
- Engineering review/surveys
- Public meetings/hearings
- Final report preparation

The transportation planning projects must be clearly related to addressing transportation issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the transportation planning effort prior to funding being awarded.

Communities that received the 2015/2016 Reserve Grant must first expend those funds before accessing any Transportation Planning Grant funds. Transportation Planning Grant funds may be sought to expand a planning project begun with reserve funds or to fund an additional project once the reserves have been exhausted.

In addition to the specific impact grant factors further defined in section **“How Will the Commission Decide on Applications?”**, the Commission will also consider whether the applicant demonstrates the potential for such transportation project to compete for state or federal transportation funds.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2022 TIP criteria for the Boston MPO Region or the

Pioneer Valley Planning Commission's transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

2.5 Transportation Construction Grants

The Commission will make funding available for certain transportation construction costs in the 2021 CMF. Since most of these projects will have an ancillary benefit to the community that likely outweighs the mitigation of a casino impact, the Commission anticipates that any CMF assistance provided will only be for a maximum of 1/3 of the total project cost, and that significant other federal, state, local, private or other funding will be available to pay for the remaining costs of any such project. The Commission will consider waiving this requirement if the applicant can affirmatively demonstrate that the cost associated with mitigating the impact exceeds the limit.

Applicants are not prohibited from applying for transportation construction funds in future years for a project included in a 2021 application. However, any 2021 transportation construction project may not rely upon contributions from the CMF in future rounds. Applicants should demonstrate that the financing for the project does not depend upon any future year awards by the Commission. Given the likely complexity of any such transportation construction applications, applicants may consult with Commission staff before and during the CMF review on such projects.

The Commission anticipates authorizing no more than \$4,000,000 in grants for Transportation Construction Grants. The Commission does not anticipate authorizing more than \$1,000,000 for any one award. The Commission may adjust all target spending amounts, including the amounts in this section. Applicants may include a request to use funding from previously awarded CMF Reserves in any description of significant other federal, state, local, or private contributions. There is no minimum application amount.

Applicants must demonstrate that the project will begin construction no later than June 30, 2022. In addition to the criteria for determining grants stated later in these Guidelines, the Commission will evaluate a project's readiness to proceed, the significance of additional funds from other sources, and the potential transportation benefits associated with such projects.

Although the Commission will not authorize any multi-year grants for transportation projects in 2021, the Commission plans to issue a request for Statements of Interest in 2021 for transportation construction projects that would require multi-year grants. Such Statement of Interest would help the Commission determine the needs for multi-year grants in preparation for the 2022 CMF funding round. The Statement of Interest would also be utilized to allow for a greater understanding of projects that may be the subject of a future application.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2022 TIP criteria for the Boston MPO Region or the Pioneer Valley Planning Commission's transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

Applicants are strongly encouraged to include a letter of support from the MassDOT with any application.

Transportation Construction Grants are not available for transportation operations costs.

2.6 Workforce Development Grants

The advent of the Covid-19 pandemic in March of 2020 and its impact on the hospitality sector caused the Commission to re-think how workforce grants would be applied. As such, in 2020 the proposals for occupational training in hospitality and culinary were not funded. The Commission did fund portions of the proposals focused on adult basic education programs.

Given the uncertainties entering 2021, we encourage applicants to be creative in their grant applications, keeping in mind that training programs must have a direct correlation to impacts from the casino. Applicants must be able to demonstrate that the education and skills training programs proposed are in response to an identified need at the casinos or as a means to provide a sufficient supply of workers to backfill jobs being lost to the casinos, or in response to unemployment from the casinos. In reviewing these applications, the Commission will need to consider the state of affairs at the time of the review including the condition of the labor market and the general state of the economy.

For fiscal year 2022, the Commission will make available funding for workforce development programs in Regions A and B for service to residents of communities of such Regions. CMF Workforce grant applicants should focus on areas highly impacted by casino operations, while taking into consideration the impacts of the pandemic.

Goals include:

- To mitigate a strain in existing resources and a potential impact to the regional labor market.
- To identify and alleviate gaps and/or challenges regarding equitable access to casino or industry-related jobs.
- To deliver education and career training programs that can be completed in two years or less and prepare program participants for employment in high-wage, high-skill occupations related to the casino.
- To help low-skilled adults earn occupational credentials, obtain well-paying jobs, and sustain rewarding careers in sectors related to hospitality and casino careers.
- To get students with low basic skills into for-credit career and technical education courses to improve their educational and employment outcomes.
- To align and accelerate ABE, GED, and developmental programs and provide nontraditional students the supports they need to complete postsecondary credentials of value in the regional labor market.

Available Funding:

The total funding available for workforce grants will likely not exceed \$800,000. The Commission anticipates a base award of no more than \$300,000 in each Region (not including additional funding for regional cooperation significant regional needs). These additional award descriptions are as follows:

- In an effort to promote administrative efficiencies and greater regional cooperation, applicants that demonstrate regional cooperation between a significant number of workforce agencies may be eligible for \$50,000 in additional **regional cooperation** funding. One grant is anticipated to be considered for each Region.
- The Commission may authorize an award of up to \$100,000 for **significant regional needs**. To enable the fund to respond to unanticipated and/or exorbitant programming costs related to significant workforce and labor market challenges related to the casinos, the applicant must specify a significant need above and beyond the usual programming; and must provide a separate, itemized budget for the requested additional funding, not to exceed \$100,000.

Each governmental entity applying for workforce development funds will also need to provide details on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

Eligible activities include:

- a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers;
- post-secondary vocational programs;
- registered apprenticeships;
- courses leading to college credits or industry-recognized certificates;
- Adult Basic Education (“ABE”) and vocationally based English for Speakers of Other Languages (“ESOL”) training programs; contextualized learning; or
- Integrated Education & Training; and industry-recognized credentials.

Proposals may include programming elements such as gaming school scholarships, culinary, hospitality skills, banking, or general customer service training or vocational programs focused on English language/adult basic education, while taking into consideration the impacts of the pandemic.

A consortium application is required. Eligible workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment for Region A and Region B residents interested in a casino or casino-related career, focusing on increasing industry-recognized and academic credentials needed to work in the most in-demand occupations related to the expanded gaming industry or a focus on occupations

needed by the regional business community impacted as a result of casino hiring. The proposal must also include regional labor market information and evidence of employer partnerships.

Governmental entities eligible to receive funds would include but not be limited to: host communities, communities which were each either a designated surrounding community, a community which entered into a nearby community agreement with a licensee, a community that is geographically adjacent to the host community of a gaming licensee, a community that petitioned to be a surrounding community to a gaming licensee state agencies, state agencies, and regional employment boards. The Commission shall evaluate the use of host community agreement funds in evaluating funding requests for workforce development program grant funds. Applicants should consider leveraging other funding resources.

The Commission has determined that administrative costs (including but not limited to all indirect and other administrative funding) shall not exceed 7.5% of the total grant allocation. Administrative costs include activities related to management, oversight, reporting and record keeping, and monitoring of the grant program.

2.7 Tribal Gaming Technical Assistance Grants

The Commission may make available no more than \$200,000 in technical assistance funding to assist in the determination of potential impacts that may be experienced by communities in geographic proximity to the potential Tribal Gaming facility in Taunton. Said technical assistance funding may be made through Southeastern Regional Planning and Economic Development District (“SRPEDD”), or a comparable regional entity. Such funding will only be made available, after approval of any application by SRPEDD or a comparable regional entity, if it is determined by the Commission that construction of such gaming facility will likely commence prior to or during Fiscal Year 2021. Any such application must demonstrate that any studies of impacts will address the technical assistance needs of the region which may include but not be limited to the communities that are geographically adjacent to Taunton. Such funding shall not be used to study impacts on or provide technical assistance to Taunton, as funding has been provided in the Intergovernmental Agreement By and Between the Mashpee Wampanoag Tribe and the City of Taunton. Any such program of technical assistance may be provided by SRPEDD itself or through a contract with SRPEDD.

2.8 Emergency Mitigation Grants

The Commission may make available no more than \$200,000 in grant funds to mitigate unanticipated casino related impacts that arise after the January 31, 2021 application date. Any impact must be newly identified and be of an emergency nature that would cause significant harm to the community if it were not remedied in an expeditious fashion. The intent of this grant is to allow the Commission to be more responsive in addressing significant casino related issues that do not fall within the normal CMF timelines. This grant is not intended to circumvent the normal CMF processes. Any applicant for this grant should contact the Community Affairs Division to discuss the impact and the proper way to proceed.

3.0 Application Requirements

3.1 What Should Be Included in the Applications?

Applicants are required to complete the appropriate grant application:

- 2021 Specific Impact Grant Application;
- 2021 Community Planning Grant Application;
- 2021 Transportation Planning Grant Application;
- 2021 Workforce Development Grant Application;
- 2021 Transportation Construction Grant Application; or
- 2021 Reserve/Tribal Gaming Technical Assistance Grant Application.

Applicants may also submit additional supporting materials of a reasonable length.

Applicants will need to fully identify the impact being caused by the casino and describe how the project request will address any claimed impacts and provide justification of any funds requested.

Applicants will need to describe if and how such impacts were addressed or not addressed in any host or surrounding community agreements. Applicants may include a letter of support from the applicable gaming licensee. However, this is not necessary, as the Commission will request the licensee's opinion regarding each Application.

3.2 How Will the Commission Decide on Applications?

The Commission will ask each licensee to review and comment on any requests for funding.

The Commission will evaluate the submittal by the community, any input received from the community and interested parties (such as regional planning agencies), the responses of the licensee, Commission consultant reviews, and any other sources determined by the Commission. Commission Staff may consider information from the report issued by the Lower Mystic Regional Workforce Group in its evaluation of transportation planning grants.

The Commission will evaluate any funding requests in the context of any host or surrounding community agreements. Factors used by the Commission to evaluate grant applications may include but not be limited to:

- A demonstration that the impact is being caused by the gaming facility;
- The significance of the impact to be remedied;
- The potential for the proposed mitigation measure to address the impact;
- The feasibility and reasonableness of the proposed mitigation measure;
- A demonstration that any program to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party;

- The significance of any matching funds including but not limited to the ability to compete for state or federal workforce, transportation or other funds;
- Any demonstration of regional benefits from a grant award;
- A demonstration that other funds from host or surrounding community agreements are not available to fund the proposed mitigation measure;
- A demonstration that such mitigation measure is not already required to be completed by the licensee pursuant to any regulatory requirements or pursuant to any agreements between such licensee and applicant; and
- The inclusion of a detailed scope, budget, and timetable for each mitigation request.

Supplemental Guidelines Used to Evaluate Workforce Development Applications

- Does the application develop a workforce development program that seeks to address any claimed impacts?
- Does the proposal include a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs?
- Does the proposal seek to assist low-skilled adults in obtaining education and career training to enable them to join the regional labor market?
- Does the proposal seek to address the anticipated goals of the program (see pages 12 and 13 of these Guidelines)?
- Will the participants receive industry-recognized or academic credentials needed to work in the most in-demand casino-related occupations within the region?
- A governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds
- Is the Applicant collaborating with others to provide a regional approach?
- Does the Applicant address issues related to a gaming facility? The Commission may ask Applicants for supplementary materials, may request a meeting with Applicants, and reserves the ability to host a hearing or hearings on any application.

The Commission's deliberations on Community Mitigation Fund policies will also be aided through input from the Gaming Policy Advisory Committee, the Community Mitigation Subcommittee, and the Local Community Mitigation Advisory Committees.

The Commission reserves the ability to determine a funding limit above or below what is detailed in these Guidelines. The Commission notes that it plans to target its funding decisions based on the regional allocations described earlier. However, the Commission reserves the right to make determinations that do not strictly adhere or adhere to such targets. In the event the Commission awards are not in such adherence, the Commission may make appropriate

adjustments in future guidelines to bring regional allocations into more congruity with such targets.

The Commission reserves the ability to fund only portions of requested projects and to fund only a percentage of amounts requested. The Commission also reserves the ability to place conditions on any award.

There is limited funding available. The Commission therefore reserves the right to determine which requests to fund based on its assessment of a broad range of factors including the extent of public benefit each grant is likely to produce.

3.3 When Will the Commission Make Decisions?

The Commission anticipates making funding decisions on any requests for grant assistance before July 2021.

3.4 Authorization to Approve Requests for Changes to Components of Grant Awards

The Commission authorized staff to approve requests for changes to components of grant awards provided that staff provides notice of such changes to all Commission members and provided further that such changes shall not exceed 10% of the grant award or \$10,000, whichever is smaller.

3.5 Waivers and Variances

The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines, not specifically required by law, where the Commission finds that:

- a) Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K;
- b) Granting the waiver or variance will not interfere with the ability of the Commission to fulfill its duties;
- c) Granting the waiver or variance will not adversely affect the public interest; and
- d) Not granting the waiver or variance would cause a substantial hardship to the community, governmental entity, or person requesting the waiver or variance.

All requests for waivers or variances shall be in writing, shall set forth the specific provision of the Guidelines to which a waiver or variance is sought, and shall state the basis for the proposed waiver or variance.

The Commission may grant a waiver or variance, deny a waiver or variance, or grant a waiver or variance subject to such terms, conditions and limitations as the commission may determine.

3.6 Rescission of Grants

If a Grantee does not expend the funds in a timely manner or does so in a manner that is inconsistent with the grant, the Commission may rescind all or a portion of the grant and make those funds available in the next grant round for the Region in which the grant originated. Before any grant is rescinded, Commission staff will notify the Grantee that the expenditures on the grant are not timely and establish a timeline for the Grantee to either expend the funds or have the grant rescinded.

3.7 Who Should be Contacted for Questions?

CMF applicants are encouraged to contact the Commission's staff with any questions or concerns. The Commission's Chief of the Division of Community Affairs, Joseph Delaney, can be reached at (617) 721-9198 or via e-mail at joseph.delaney@massgaming.gov. The Commission's address is 101 Federal Street, 12th Floor, Boston, MA 02110.

3.8 Where Should the Application be Sent?

Applications **must be sent to** www.commbuys.com. An application received by COMMBUYS by January 31, 2021 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow, Program Manager of the Community Mitigation Fund well in advance of the January 31, 2021 deadline to make arrangements for submission of the application by the deadline. Mary Thurlow can be contacted at (617) 979-8420 or at mary.thurlow@massgaming.gov.

If you have any questions or concerns contact the COMMBUYS Help Desk at COMMBUYS@state.ma.us or during normal business hours (8am - 5pm ET Monday - Friday) at 1-888-627-8283 or 617-720-3197.

From: [Gonzalez, Raul](#)
To: [Thurlow, Mary](#)
Cc: [Gonzalez, Raul](#); [Murillo, Alice](#); [Kaplan, Jennifer](#); [Gilliland, Austin](#); [Fontes, Anthony](#); [Cowan Neptune, Betsy](#); [McKenna, Kristen](#); [Allen, Karl](#); [Bourassa, Eric](#)
Subject: 2021 CMF Draft Guidelines - Small Business Needs Assessment Comments
Date: Monday, November 9, 2020 3:44:59 PM
Attachments: [image001.png](#)

Good afternoon Mary,

We appreciate the opportunity to provide comment to the Massachusetts Gaming Commission. The impact of the casino to small businesses in Chelsea and Everett were considered to be competition for retail and hospitality business and competition for workers. Now with COVID 19, the casino business is compromised and to a much further extent local small businesses are suffering even more. To address this impact, we would make these recommendations:

1. The Community Mitigation Fund language reflects the needs of small business and entrepreneurs in addition to workforce development. We propose a new grant category to support regional business development separately from workforce development, if possible.
2. High unemployment from all hospitality and retail industries now includes a group from the casino itself. The unemployed hospitality and retail workers need upskilling to break into new careers or be able to move up the career ladder in the casino now or when reemployed. These unemployed workers are not able to buy services or goods from the casino or the area small businesses. Furthermore, businesses owners are forced to reimage themselves or close.
3. Include ESOL training programs and Adult Basic Education programs as part of Workforce Development Grants. ESOL and business workshops are needed to help small businesses where English is not the first language.
4. Digital literacy training is needed for both unemployed and small businesses - not only for online and remote learning, but for future access to jobs and customers.
5. Wrap around supports for families, particularly on food and housing insecurity, as these aspects of life directly intersect with small business livelihood.

Please reach out to me if you have any follow-up questions or comments. We are also more than happy to set up a call or zoom meeting for us to chat further. Also, we're more than happy to provide more thorough comments during this period next year, especially if the comment period is extended.

Thank you for your time.

Best,
Raul

Raúl González

Senior Planner

rgonzalez@mapc.org | 617-933-0763

Preferred pronouns: he, him, his

Metropolitan Area Planning Council

60 Temple Place, Boston, MA 02111

www.mapc.org



MetroCommon × 2050

Get involved in Greater
Boston's next Regional Plan!
MetroCommon.mapc.org



Please be advised that the Massachusetts Secretary of State considers e-mail to be a public record, and therefore subject to the Massachusetts Public Records Law, M.G.L. c. 66 § 10.



The Massachusetts Gaming Commission Equity and Inclusion Working Group

We value a diverse workforce and supplier base, and an inclusive culture internally and among our partners in the Massachusetts Gaming Industry.

Statement of Purpose

The MGC is committed to racial equity and justice, diversity, and inclusion and expects the same of its employees, licensees, and other stakeholders.

In our society at large there are systems, policies and practices that continue to yield inequitable outcomes. As a result of these systems, communities of color are disproportionately negatively affected and/or afforded benefits and opportunities to a lesser degree. Although the MGC remains committed to safeguarding all protected classes from discrimination, recent national events have underscored the urgency for all of us, as an agency, to take action on racial equity.

We recognize that, in addressing systemic issues, everyone who is part of any system has an opportunity and responsibility to examine how those systems work and to dismantle barriers obstructing racial equity.

We embrace anti-racism as a guiding principle. Anti-racism¹ (in contrast to an absence of racism) calls for proactiveness. On the topic of racial equity, neutrality is insufficient, preserves the status quo, and is equivalent to an abdication of moral obligation. As such, the MGC adopts these principles and pledges to follow a proactive approach of continuous engagement towards developing and ensuring an environment of equity and justice.

¹ The term anti-racist is described in the book "How to be an Anti-Racist" by Ibram X. Kendi

Equity and Inclusion Action Plan

The Chair of the Massachusetts Gaming Commission convened the Equity and Inclusion Working Group in an effort to consider and examine relevant operations within the MGC and create an on-going action plan to address racial inequity. The Plan will be supported and executed by the entire MGC team. The Executive Director will be accountable for the Plan's implementation.

Initial Action Items:

1. **Culture:** Develop and sustain an agency-wide internal culture of proactive inclusion where everyone can belong, contribute, and succeed. Strategies include:
 - a. Training: Provide training and education on such relevant topics as unconscious bias, diversity, and inclusion; racial discrimination; communication and social media use; etc. Create a resource library.
 - b. Communication and Reporting: Proactively enhance transparency by increasing communication and reporting on existing and future anti-racism efforts.
 - c. Celebrate our Community: Organize a voluntary "Culture Club" to share experiences, literature, and other forms of expression and resources to enrich the understanding of different cultures, histories, and experiences.
2. **Regulatory Review:** As part of an agency-wide regulatory review (conducted no less than every three years), include a criterion that requires each regulation to be reviewed through an anti-racist lens, ensuring that the regulation (i) does not result in a disproportionate negative impact on and (ii) eliminates barriers to opportunities for individuals and/or communities of color.

3. **Customer Service:** Examine MGC's policies, procedures, and the implementation of practices with respect to our customer service and community outreach in order to ensure fair and equitable processes and accessibility to advance economic prosperity for individuals and communities of color.
4. **Hiring and Retention:** Review and enhance MGC's internal hiring and retention practices with the objective of increasing and elevating diverse representation throughout the MGC. Areas of focus and strategies include job descriptions, outreach and recruitment, mentoring and development, and retention efforts. The MGC will continue to publicly monitor and prioritize licensees' hiring and retention practices with respect to diversity and to encourage increased representation and elevation of diverse employees.
5. **Procurement Practices:** Reexamine and revise procurement policies, procedures, and practices to maximize the MGC's and licensees' minority-owned business spend.

The Working Group will periodically report to the Commission publicly on these on-going efforts.

INSIDE FRONT COVER (LETTER FROM THE COMMISSION)

HONORABLE MADAMS AND MESSRS.

We are pleased to deliver the ninth annual report of the Massachusetts Gaming Commission. This report covers the details of our operations as of the end of the Fiscal Year 2020 (June 30, 2020), and is submitted in accordance with G.L. c. 23K, §70.

On March 15, 2020, the Commission voted to temporarily suspend operations at the casinos, racing and simulcasting venues in the Commonwealth due to the extraordinary circumstances brought upon by the spread of COVID-19. Casino and racing operations were allowed to re-open at different times in July, 2020 under significant occupancy limits and in accordance with specific health and safety requirements adopted by the Commission. These were done in furtherance of the applicable guidelines issued by the Baker-Polito administration and State Public Health Officials and as part of Phase 3 of the Commonwealth's reopening plan that allowed for the reopening of casinos and race tracks. To date, all licensees continue to operate under those restrictions.

The term of the Category 2 gaming license is five years. The fifth full year of operations for Plainridge Park Casino concluded on June 24, 2020. Prior to this date, the licensee and its parent company, Penn National Gaming, Inc., satisfactorily submitted documentation in accordance with MGC procedures established for the renewal of their license. The Commission performed a detailed evaluation of this documentation and associated considerations. On September 30, 2020 the Commission voted unanimously to renew the gaming license for a second term of 5 years from the June 24, 2020 expiration date.

The second anniversary of the opening of MGM Springfield was August 20, 2020, while the first anniversary of Encore Boston Harbor opening was June 23, 2020. The total gaming tax revenues collected for the fiscal year (including Plainridge Park Casino) were **\$195 million** (which reflects operations from July 1, 2019 to March 15, 2020, the date the casinos suspended operations).

Calendar year 2020 marked the sixth year of funding for mitigation projects across the Commonwealth with a total of \$6.7 million in grants. In addition, this fiscal year we maintained funding for workforce development activities that leverage existing efforts at the State and local levels to help provide opportunities for employment despite a decrease in funding to the Community Mitigation fund due to the suspension of operations of casinos.

We are always available to discuss with you at your convenience the efforts the Commission is making, the results it is achieving and any other aspect of our operations about which you would like additional information. Sincerely, Massachusetts Gaming Commission

DECEMBER 2018 LISTINGS

Governor, Charles D. Baker, Attorney General, Maura Healey, Treasurer, Deborah Goldberg, Chairs of the House and Senate Committees on Ways & Means, Chairs of the Joint Committee on Economic Development & Emerging Technologies, Clerks of the House and Senate

TABLE OF CONTENTS

Letter from the Chair
Major Milestones Anticipated for Fiscal Year 21
Key Provisions of the Gaming Act
Recommendations for Legislative Action
Agency Divisions
Research & Responsible Gaming
Casino Properties and Project Summaries
Racing Operations
Tax Collections & Agency Finances
Workforce, Supplier and Diversity Development
Litigation Matters

MISSION STATEMENT

The mission of the Massachusetts Gaming Commission is to create and maintain a fair, transparent, and participatory process for implementing the expanded gaming law passed by the Legislature and signed by the Governor in November, 2011. The Commission strives to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of expanded gaming, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality.

LETTER FROM THE CHAIR

The Massachusetts Gaming Commission (MGC) has been in existence since March 21 of 2012, and this report entails the ninth fiscal year of operations in the process of implementing the expanded gaming legislation (**Chapter 194 of the Acts of 2011 — An Act Establishing Expanded Gaming in the Commonwealth**) enacted by the General Court and signed into law by Governor Patrick in November 2011.

We continue to construct, fine tune, and operate the regulatory framework to enable this Commission to effectively oversee and regulate the gaming licenses in the manner that the Gaming Act directs.

DURING FY20 THE COMMISSION:

1. Voted to temporarily suspend all gaming, racing and simulcasting operations due to the public health threat of Covid-19 on March 15, 2020. Gaming and racing operations were allowed to re-open at the beginning of July under occupancy limits and requirements for physical distancing. We continue to monitor these operations with guidance from the Governor and public health officials to minimize risk to employees, patrons, and citizens of the Commonwealth.
2. Oversaw the fifth year of operations at Plainridge Park Casino (PPC). For FY20 Gross Gaming Revenues totaled \$96 million (a \$72 million decrease from the prior year – reflecting the suspension of operations of casinos in March) resulting in taxes of \$47.1 million.
3. Oversaw the operations of Category 1 facilities (MGM Springfield and Encore Boston Harbor). Gaming revenue for the partial year (from July 1, 2019 through March 15 2020) amounted to \$592 million, which resulted in \$148 million in gaming taxes.
4. Promulgated or amended nine sets of regulations that govern many important aspects of gaming and racing operations including: licensing, administrative hearings, Standardbred and Thoroughbred racing (exotic bets as well as discovery in racing medication cases, conflict of interest, etc.), progressive gaming devices, voluntary and involuntary exclusion lists and junket enterprises.
5. Released seven reports spanning a range social and economic measures. The focus of research activities began to transition from the construction phase to measuring the operational impacts of the Massachusetts casino industry.
6. Continued to oversee and regulate horse racing and simulcasting operations in the Commonwealth, including disbursements via the Race Horse Development Fund to purse accounts, breeding programs, and for the benefit of horsemen organizations for a total of \$12.3 million. This represented a \$4.72 million decrease from the prior year due to the partial suspension of operations on March.
7. On March 15, 2020 we seamlessly transitioned to a remote workforce following the Governor's stay-at-home advisory and relief from certain physical requirements of the Open Meeting Law. The Commission successfully held public meetings utilizing the cloud-based technology, which included a video conferencing platform and for the year held 59 public meetings, and an additional 10 public hearings. We continued to stream all of our public meetings live via the MGC website. Further, there were 18 additional open public meetings (Public Health Trust Fund Executive Committee, Horse Racing Committee, Local Community Mitigation Advisory and Gaming Policy Advisory Committee).

MAJOR MILESTONES ANTICIPATED FOR FISCAL YEAR 2021

FY21 will mark challenging years of operations for all licensees, but especially Category 1 licensees (MGM and Encore). Unlike the Category 2 licensee (PPC), the Category 1 licensees had a larger capital investment amount and therefore a larger amount of debt service and other fixed costs. Further, the Category 1 licensees enjoyed a shorter period of operations at full capacity before the Covid-19 crisis required them to suspend operations. The subsequent reopening with diminished capacity in both gaming and non-gaming operations presents a challenging operational environment. The MGC regularly monitors the licensees' financial stability.

We remain committed to our responsible gaming efforts. Despite a decrease in funding due to the suspension of operations of casinos (a portion of gaming taxes fund our responsible gaming initiatives), we continue to work with the Massachusetts Council on Gaming and Health (f.k.a. Mass Council on Compulsive Gambling) to operate GameSense, an on-site space and program designed to promote positive play and connect people with resources including the Voluntary Self-Exclusion program.

We will continue our research and program evaluation activities. The gaming taxes partially fund our research agenda. While available funding for research is less than in previous years, we remain committed to understanding the impacts of expanded gaming in the Commonwealth. This will include a study of the economic impacts of COVID-19 on the casino industry planned for release in the spring. This Fall, the UMASS research team released a series of reports that provide the first comprehensive look at the social and economic impacts of MGM Springfield. We continue our work to implement the priorities from the 2019 research strategic planning process.

Standardbred Racing will continue at Plainridge Park Casino and is expected to include 110 days of live racing for the calendar year 2021. We continue to evaluate the feasibility of Thoroughbred racing given available monies for purses. There were no Thoroughbred racing applications submitted by the statutory deadline of October 15, 2020, and thus Thoroughbred live racing will not take place in the Commonwealth for calendar 2021. There are currently **three** bills being considered that in one way or another attempt to address Thoroughbred live racing and simulcasting.

We will continue to work to maximize the economic benefits from a casino. We convene and connect licensees to the Commonwealth's workforce and small business resources. We provide grants to leverage and supplement state and local workforce development programs.

We will continue our transition to regulatory aspects of the operations of casinos, including:

- Further regulations that govern operations and functions at the gaming establishments
- Implementation of further rules and procedures to ensure the integrity of the games
- Compliance, monitoring and audit programs for the oversight of operations of licensees

We monitor developments that affect the gaming industry to make policy recommendations. Topics like the status of the Mashpee Wampanoag Tribe may have significant implications for **Region C** (Southeastern Massachusetts). Other topics include online gaming, sports betting, illegal gambling and the status of the Wampanoag Tribe of Gay Head (Aquinnah) and their potential impact on the young gaming industry in Massachusetts.

KEY PROVISIONS OF THE GAMING ACT

Chapter 194 of the Acts of 2011 (“The Gaming Act”) includes significant features to ensure public confidence and a robust gaming industry that generates economic development while providing mitigation measures to protect potentially vulnerable groups.

A STRONG, INDEPENDENT REGULATORY FRAMEWORK

- Five full-time commissioners appointed by the three constitutional officers
- Rigorous standards for suitability and licensure of companies, vendors, and employees
- On-site presence of gaming agents, state police and responsible gaming agents, and GameSense Advisors.
- Detailed regulations and strict oversight to ensure integrity of the operations and fairness of the games

A ROBUST AND FUNDED RESEARCH MANDATE

The Gaming Act enshrines the role of research in enhancing responsible gaming and mitigating the negative consequences of expanded gaming in Massachusetts. To this end, the Secretary of Health & Human Services and the Commission jointly established a Public Health Trust Fund executive committee to oversee distributions from the Fund and execute on this mandate. The Gaming Act directs the parties to:

- Understand the social and economic effects of expanded gambling including conducting a baseline study and subsequent studies of all relevant critical, social and economic variables
- Obtain scientific information relative to the neuroscience, psychology, sociology, epidemiology and etiology of gambling
- Make annual, scientifically based recommendations for policy to the Legislature

FUNDED MITIGATION MEASURES

- A significant portion of Category 1 gaming taxes (6.5%) flow to a community mitigation fund administered by the Gaming Commission to provide grants to cities and towns affected by the operations of the casinos
- In addition, host communities are entitled to a host community agreement negotiated between the licensee and the local executive
- Further, surrounding communities have a process for addressing mitigation concerns (that must also be funded and addressed by the licensees)

POLICIES TO MAXIMIZE THE BENEFITS TO THE COMMONWEALTH

- A competitive and transparent process for license solicitation, evaluation and award of up to three category 1 licenses and one category 2 license to maximize capital investment
- Clear directives and specific criteria to realize economic benefits to support local, small and diverse businesses, employ the unemployed and underemployed, while protecting vulnerable groups.
- Other policy goals designed to enhance and support assets of the Commonwealth including requirements to support local Tourism efforts, workforce development reporting, and protection of the Lottery and impacted live entertainment venues.

RECOMMENDATIONS LEGISLATIVE ACTION

In accordance with G.L. c. 30, §30 and G.L. c. 23K (the “Gaming Act”); **we submit recommendations for legislative action. The topics for consideration are:**

1. Consider addressing the expiring nature of the horse racing statutes in a permanent manner.

The current statutes that govern live racing and simulcasting in the Commonwealth (G.L. c. 128A and c. 128C) expire on July 31, 2021. As part of the Gaming Act (c. 194 of the acts of 2011, §104), the Commission was tasked with providing findings and recommendations to the Legislature (given its then pending expiration of July 31, 2014). These recommendations were submitted in April 2013, in a report that included a draft proposed new g.l. G.L. c. 128D. While the Legislature did not enact the proposed c. 128D, different efforts to address this (in the house & senate) resulted in seven annual extensions of sections 128a and 128c (st. 2105c. 10 §59, st. 2016 c.176, st. 2017 c.56, st.2018 c.159, st.2019 c.47, st.2020 c.1, and st.2020 c.106. These extensions have allowed Suffolk Downs and Raynham Park to continue simulcasting. However, in our opinion, the current short-term nature of the law creates uncertainty to the viability of live horse racing in the Commonwealth. Accordingly, the Commission favors an approach that includes a comprehensive statutory amendment that takes a more long-term view including allowing the Commission to set the minimum number of race days and use the Race Horse Development Fund to provide assistance to the racing industry as originally envisioned by the gaming act (both Standardbred and Thoroughbred).

2. Consider addressing the rapidly evolving nature of online gaming in a holistic way. In 2016 the Legislature created a special commission that produced a report on July 31, 2017. In our opinion and as stated in the special commission’s final report, the Commonwealth should provide a flexible, omnibus regulatory framework (and update outdated relevant statutes) as opposed to addressing the legality and regulation of each new game or online technology on a one-off basis, which may also include Sports Betting.

3. Consider exempting members of the gaming policy advisory committee, its subcommittees, and local advisory committees from certain conflicts of interest and ethics restrictions. G.L. c. 23K, §68 created a gaming policy advisory committee (gpac) and subcommittees (specifically a subcommittee on community mitigation) and local community mitigation advisory committees (lcmac) to provide advice to the Commission on gaming policy and related mitigation matters. By statute, the lmacs include appointees from the host and surrounding communities to the casinos. Some of the people in the best position to provide informed input in many of these advisory roles are local officials, municipal and regional employees. However, it has been determined that municipal and regional employees may be in violation of the state’s conflict of interest law (G.L c. 268A) if they were to serve as a member of a subcommittee to the Commission while also performing their local duties which typically include gaming related mitigation matters. MGC worked closely with staff at the State Ethics Commission to craft language to allow those municipal and regional planning employees to lawfully serve in those dual roles.

AGENCY DIVISIONS

INVESTIGATIONS & ENFORCEMENT BUREAU AND DIVISION OF LICENSING

The Investigations and Enforcement Bureau (IEB) is comprised of 1) the Investigations Division, which includes Massachusetts State Police (MSP) staff and a team of civilian financial investigators; 2) the Gaming Agents Division, comprised of civilian agents, charged with providing regulatory oversight and on-site monitoring of licensed gaming establishments; and 3) the legal arm of the IEB, which consists of the Chief Enforcement Counsel and Senior Enforcement Counsel and whose duties include legal review of investigations and representing the IEB in licensing and enforcement actions initiated by the Bureau. The Director of the IEB also oversees the Division of Licensing, which administers the licensing and registration functions on behalf of the Commission for employees of and vendors to the gaming establishments.

The IEB conducts probity investigations to determine suitability for licensure and registration for all gaming establishment employees and vendors, per licensing regulations (205 CMR 134.00), which also define thresholds, standards and procedures for licensing and registration. There are three levels of employee licensure: Key Gaming Employee - Executive, Key Gaming Employee — Standard, and Gaming Employee. All three levels of licensure require a background check before employment may commence at a Gaming Establishment. Some employees not classified by regulation as either Key Gaming or Gaming Employees must register as a Gaming Service Employees, unless exempted from classification by the Commission. Background checks for those Gaming Service Employees may commence after employment begins. The depth of background check is commensurate with the level of licensure/registration.

In FY20, the IEB and Division of Licensing processed and completed background investigations for 2,182 applications for individual employee licensure or registration. The IEB and the Division of Licensing also received and processed 3 new Gaming Vendor applications and completed ongoing investigations for and gave full licenses to 5 Gaming Vendors which included 9 entity qualifiers and 14 individual qualifiers. Additionally, the IEB and the Division of Licensing processed and conducted background investigations for 914 applications for non-gaming vendor registration and 10 individual casino qualifiers.

In FY20 the IEB's Gaming Agents Division also conducted the necessary regulatory work for the on going operations of both the MGM Springfield Casino and the Encore Boston Harbor Casino. Gaming agents conducted hundreds of regulatory examinations to test casino internal controls and procedures at each facility to ensure compliance with MGC regulations.

Now that all three licensed casinos are in operation, gaming agents continue to oversee and/or review a variety of tasks at all facilities, including slot machines moves and inspections, operational audits, compliance reports, patron complaints, machine jackpots over certain thresholds, and tips from the **Fair Deal** tip line.

The Massachusetts State Police have a 24/7 presence at all three casinos have criminal enforcement responsibilities and are also assigned to conduct employee background checks.

OFFICE OF THE OMBUDSMAN

The Office of the Ombudsman is responsible for coordinating and communicating interactions among the Commission and many stakeholders: State Agencies, Applicants, Licensees, Host and Surrounding

Communities, and multiple other interested parties.

COMMUNITY MITIGATION GRANTS

The Community Mitigation Fund receives monies from the taxes on gross gaming revenues and is designed to address unanticipated adverse impacts that may result from the construction and operations of casinos. It may also be used for planning, either to determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts. Next year the Community Mitigation Fund may have approximately \$14 million for local mitigation projects.

The Office of the Ombudsman reviews requests for mitigation dollars and makes recommendations to the Commission on the disbursements from the Community Mitigation Fund. These recommendations are developed through an intensive process involving analysis by many MGC staff members. **To date, the Commission has allocated approximately \$23 million in grants to host, surrounding and neighboring communities, governmental agencies and public safety organizations through grant year 2020.** During grant year 2020, the Community Mitigation Grants available were as follows:

1. **One-Time Reserve Grants in the amount of \$100,000.** This grant reserved \$100,000 for the communities which were a host community, surrounding community, nearby or adjacent community. To date, a total of 28 communities associated with Region A, B and the slots parlor have been granted reserves for a total of \$2,800,000. Approximately 66 % of these reserve grants, originally granted in 2015 and 2016 have been allocated for specific purposes.
2. **Specific Impact Grants.** These grants were developed to assist communities with an unanticipated or anticipated mitigation need specific to that Community. During CMF Grant Year 2020 these grants were as follows:

Specific Impact Grants		
Applicant	Description	Award
Chelsea	The City proposed the comprehensive reconstruction of Beacham and Williams Streets, from Spruce Street to the City’s boundary with Everett. This project consists of roadway and utility reconstruction, intersection upgrades, and the installation of pedestrian and bicycle facilities.	\$500,000
Everett f/b/o Fire Department	This grant will provide funding to supplement the additional personnel and operational costs incurred as a result of the increased staffing levels and service calls in response to Encore’s operations.	\$200,000
Everett f/b/o Police Department	This grant will provide funding to supplement the additional personnel and operational costs incurred as a result of the increased staffing levels, equipment and service calls in response to Encore’s operations.	\$184,000
Foxborough	This funding will enable Foxborough to acquire a full-size pickup truck and assorted traffic safety equipment (cones/barrier/signs) and assist local communities via mutual aid.	\$83,000
Hampden County Sheriff’s Dept.	The grant will provide funding for lease assistance for the Western Massachusetts Recovery & Wellness Center for FY20. The center was forced to move after 29 years of operation at 26 Howard Street due to its placement within the physical footprint	\$400,000

Specific Impact Grants		
Applicant	Description	Award
	of MGM Springfield.	
Hampden County DA	The grant will provide a second year of funding for personnel to mitigate the increase in caseloads as a result of MGM Springfield's opening.	\$75,000
Springfield Blueprint	Building on initial efforts from 2019, this project will focus on advancing the most critical and pressing catalytic economic development initiatives in downtown.	\$250,000
Springfield Revenue Recovery	This grant will provide funding to conduct updated parking demand feasibility studies downtown, in furtherance of solutions that may reestablish sources of revenue for the Parking Authority, and more effectively locate shared, convenient and proximate parking in areas of high demand, while freeing up current abundant open land for critical redevelopment.	\$100,000
Springfield City Stage	Performing significant capital improvements and system upgrades to the City Stage Unit located in downtown Springfield.	\$300,000
Springfield-Police	The grant will provide funding for specific equipment for the Springfield Police Department to address public safety needs relating to the opening of MGM Springfield casino	\$110,000
West Springfield	This grant will provide funding for additional staffing costs for public safety personnel to mitigate the effects of the MGM casino.	\$200,000
Total:		\$2,402,000

- 3. Transportation Planning Grants.** These grants were developed to assist communities in transportation and transportation related impacts. The Commission continues to support regional approaches to mitigation needs and recognizes that some mitigation requires the commitment of more than one community, as such the guidelines provide an additional monetary incentive to communities that submit regional applications.

Transportation Planning Grants		
Applicant	Description	Award
Boston	The grant will provide a 3 rd year of funding for a portion of the design cost of improvement to Sullivan Square and Rutherford Avenue. Boston noted that approximately 70% of the traffic generated by Encore Boston Harbor has been projected to go through Sullivan Square.	\$200,000
Lynn	This grant will provide funding for a traffic analysis, functional design report and conceptual design development for the Route 107 corridor.	\$100,000
Malden	The funds from this Transportation Planning Grant will be used to develop a Transit Action Plan for the City of Malden.	\$150,000
Total:		\$350,000

4. **Transportation Construction Project(s).** This grant category was added for 2020 to allow for the implementation of mitigation projects identified in earlier transportation planning studies. The Commission anticipated authorizing no more than \$1,000,000 for any one award.

Transportation Construction Project(s)		
Applicant	Description	Award
Boston	This grant will be used to create safer crossings and better line of sight for turning vehicles, as well as a fiber connection from Sullivan Square to the Park Street intersection.	\$295,000
Chelsea	This grant will fund roadway and utility reconstruction, intersection upgrades, and the installation of pedestrian and bicycle facilities. The project will mitigate adverse transportation impacts attributable to casino activities	\$1,000,000
Everett Northern Strand	This grant will provide an extension of the Northern Strand Community Trail to the Mystic River.	\$375,000
Medford	This grant will construct the last phase of the Wellington Greenway, a 0.3-mile path that will connect local residents/employees to the Encore Resort via waterfront paths along the Mystic and Malden Rivers.	\$530,000
West Springfield	This grant will provide funding to enable Complete Street Transportation Improvements to the Park Avenue (Rte. 20) and Park Street (Rte. 20) corridors from the Elm Street (Rte. 20)/Union Street intersection to the North End Rotary.	\$1,000,000
Total:		\$3,200,000

5. **Workforce Development Program.** This was the fourth year that MGC allocated funding for Workforce Development purposes as part of the Community Mitigation Fund. This program was initially conceived to help increase job readiness in both regions A and B in anticipation of the high volume of casino hires. As a result of the Covid-19 public health situation, the hospitality industry seemed to have a temporary oversupply of qualified idle workers. Despite that reality, the Commission voted to continue the long-lead programs (like Adult Basic Education) that feed the pipeline of workforce development as well as mitigate some of the impacts to the population that is most affected by the pandemic. A total of \$371,000 for the Workforce Development Program was approved for calendar year 2021 as follows:

Workforce Development Program		
Applicant	Description	Award
Holyoke Community College	This program will continue to focus on Adult Basic Education, Hi-Set and ESOL with an emphasis on conversion to an online/remote format. The new grant emphasizes digital literacy within the Hampden Prep program and aligns with the post-pandemic climate for job searchers and an increase in remote work.	\$199,000
Masshire MetroNorth	This grant will assist local residents by providing information on employment opportunities; career advising including assessment	\$172,000

Workforce Board	of an individual's needs; and interests and referrals to other programs that address those needs such as ESOL, ABE job training and job readiness programs.	
Total:		\$371,000

- 6. Non-Transportation Planning:** Funding for certain planning activities for all communities that previously qualified to receive funding from the 2015/2016 Reserves, and have already allocated and received Commission approval of the use of its reserve.

Non Transportation Planning		
Applicant	Description	Award
Everett/Port Area Study	The Community Mitigation Grant Funds will be used to finance a comprehensive study of the Mystic River Designated Port Area as further described in Everett's Non-Transportation Planning Application.	\$100,000
Medford	These funds will be used for contract consultant services for a local business technical assistance program to create a framework for equitable allocation of Licensee payments and a system to monitor compliance with the previously executed Surrounding Community Agreement commitments.	\$100,000
Northampton	2020, campaign planning activities and monitoring and measuring the response and feedback posted on the "Northampton Live" web site.	\$50,000
Total:		\$250,000

- 7. Tribal Gaming Technical Assistance Reserve:** The Commission made available no more than \$200,000 in technical assistance funding to assist in the determination of potential impacts that may be experienced by communities in geographic proximity to the potential Tribal Gaming facility in Taunton

Tribal Gaming Technical Assistance Reserve \$200,000		
Applicant	Description	Award
Southeastern Regional Planning and Economic Development District (SRPEDD)	This reserve would provide funding to SRPEDD to assist in the determination of potential impacts that may be experienced by communities that are geographically proximate to the proposed facility. The Commission determined that this reserve should continue until there is a decision regarding the tribal facility. This is a carryover from fiscal year 2018. No new funding used.	\$200,000

LICENSEE REPORTING AND OVERSIGHT

The Office of the Ombudsman helps the Commission remain up to date on the activities of its licensees, including the status of all three current facilities in meeting the terms of their licenses. The Ombudsman's office coordinates reports due to the Commission from licensees as well as developments regarding their progress against a large number of license conditions.

The Ombudsman also coordinates with the host and surrounding communities with respect to

compliance with host and surrounding community agreements, and with state agencies regarding compliance with mitigation measures established during the environmental review process.

The Ombudsman further coordinates and supports legislatively mandated Advisory Committees and sub-committees which support the Commission on the Community Mitigation Fund Guidelines.

LICENSE RENEWAL – PLAINRIDGE PARK CASINO

The Office of the Ombudsman coordinates the license renewal process for licensees as well as any interim reviews conducted during the license term. These involve coordinating reviews by all of the divisions of MGC to evaluate ongoing compliance with the terms of the license and to ensure that licensees remain in good standing to hold a gaming license.

In 2020, Plainridge Park Casino's original license set to expire in June (the Category 2 license term is set in statute at 5 years). The Ombudsman worked with Plainridge Park as well as MGC staff to collect, review and disseminate all of the information required for a license renewal and prior to its expiration. The process for review of the license renewal extended into FY 2021 and was completed on September 30, 2020.

INFORMATION TECHNOLOGY SERVICES DIVISION

The MGC Information Technology Services Division ("ITS") led by the Chief Information Officer comprises two major teams: 1) The Corporate Technology Unit and 2) The Gaming Technology Compliance Unit.

CORPORATE TECHNOLOGY

The Corporate Technology Unit ("CTU") provides information technology products and services to meet the needs of the MGC community.

Over the past year, we implemented numerous changes to improve, stabilize, and provide a robust and agile computing environment for our community. Thanks to the prior year's efforts in the implementation of a cloud-based phone system and other technology upgrades, we quickly and smoothly transitioned to working from home following the Governor's stay-at-home advisory in March of 2020, and relief from certain physical requirements of the Open Meeting Law. The Commission has held public meetings utilizing the cloud-based technology, which includes a video conferencing platform universally used by MGC staff and widely used by the public.

In FY20, we also launched the new @massgaming.gov domain, providing the agency a clear, distinct, and searchable identity. We migrated all users to Microsoft O365, providing new email accounts, access to OneDrive, Azure and SharePoint Online, and other Microsoft tools. With these upgrades our staff is able to access locally and remotely (cloud) the suite of products, including Outlook, Word, Excel and PowerPoint and on any device (whether it is installed on the device or via a browser to the Microsoft portal). We further re-imaged all end-user computing equipment and standardized processes to integrate with the new technology providing users with the necessary tools and resources. In addition, we launched a new Mobile Device Management ("MDM") tool, which provides enhanced security, better oversight, and regulation of all MGC issued devices.

GAMING TECHNOLOGY COMPLIANCE

The Gaming Technology Compliance Unit ("GTCU") is responsible for planning, organizing, managing, and implementing the regulations, policies, procedures, and testing needed to ensure the integrity of

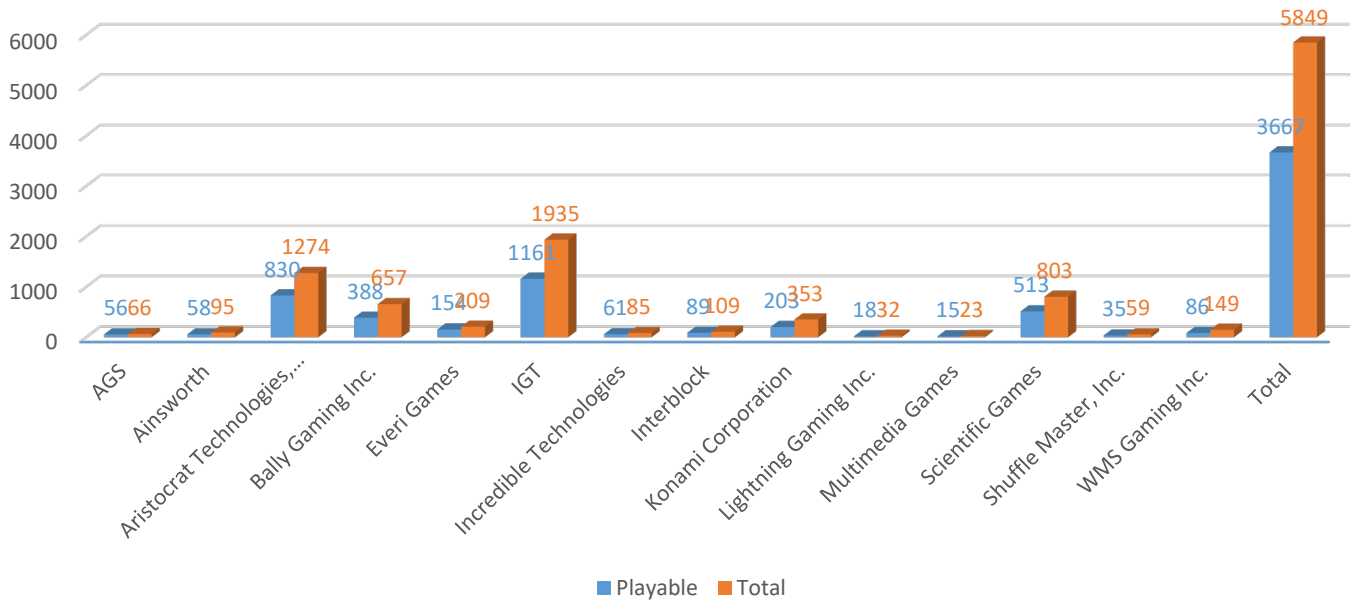
electronic gaming devices ("EGDs" aka slot machines) and associated software and equipment. The GTCU currently monitors 5,849 EGD's across all three Casinos in Massachusetts.

Software Verification and Revocation: The GTCU oversees the issuance of certifications and permits for the use of EGDs in Massachusetts. Last year, we certified over 1,800 individual software packages approved for use in Massachusetts by our Certified Independent Testing Labs ("CITL"). With the help of a Central Monitoring System, we verify the software signatures for licensee compliance daily. The process for issuing revocations typically begins with a notification by the CITL when an issue is found with an individual piece of gaming software that denotes the severity and description of the issues. The GTCU reviews each notification to verify if the software is active in Massachusetts. We then send a letter to each property that includes the software information, date of removal, and if any, the EGDs that are affected. During the last fiscal year, the GTCU issued 21 revocations in the past year based on recommendations from the CITLs.

We also conduct integration and interoperability testing to ensure the EGDs communicated effectively with the Commission's central monitoring and the licensees' house systems. We support and achieve MGC's reporting, compliance, and alerting expectations through systematic testing. Additionally, we test specific EGD hardware/cabinets that are often requested by our licensees.

The GTCU is also responsible for evaluating, inspecting, and investigating EGDs and associated equipment in Massachusetts. Following the Commission's approval to resume casino operations, GTCU made recommendations to assist with social distancing compliance. The GTCU continues to monitor all 5,849 EGDs, but only 3,667 are currently playable to the public. Below is a breakdown of the approved manufacturers in Massachusetts.

Playable vs Total EGDs by Manufacturer at Re-Opening



The chart highlights the different gaming manufacturing companies licensed and which equipment is permitted to operate in the Commonwealth, as well as the difference between the numbers of EGD’s that were installed and operational prior to the Covid-19 emergency and upon the resumption of operations in July 2020.

The GTCU also assists the Research and Responsible Gaming Division ("RRG") to test technical, reporting, and user interface requirements for the Responsible Gaming software, *Play My Way*. The *Play My Way* platforms for MGM Springfield and Encore Boston Harbor are slated for implementation in September 2021. We continuously ensure that the *Play My Way* instance at Plainridge Park Casino is compliant with all applicable requirements. The Team also assists with implementing new software for the MGC Voluntary Self-Exclusion program ("VSE"). We are currently at the developmental stages to ensure all functionality and essential features are present for the VSE application.

The GTCU also supports and assists the finance division with the implementation of Promotional Credit adjustments to the accounting configuration of the central monitoring system to reconcile gross gaming revenue. We review meters and reports for individual EGDs that did not reconcile with the Finance team on an as-needed basis. We are currently working with the Finance teams at MGC and PPC to test a new report to assist in the reconciliation process.

The GTCU supports the Investigations and Enforcement Bureau ("IEB") by submitting monthly reports and configuring alerts on the central monitoring system to discover malicious activities. We provide custom reports to assist with the investigations of EGD incidents or malfunctions. During the suspension of operations of the casino properties, the Team assisted the IEB with identifications of games marked "Out of Service" for compliance with social distancing. After operations resumed, we created a daily report that shows any "Out of Service" games with play. This report allows the IEB to confirm if the properties are meeting the social distancing guidelines.

RESEARCH AND RESPONSIBLE GAMING

The Office of Research and Responsible Gaming leads MGC's efforts to mitigate gambling related harm through the development and implementation of casino-based responsible gaming programs. In addition, this office directs the implementation of a comprehensive gaming research program as mandated by Section 71 of Chapter 23k.

The Director of Research and Responsible Gaming serves as key liaison to the Public Health Trust Fund. The Gaming Act created this fund and it is managed by an executive committee co-chaired by the Chair of the Commission and the Secretary of Health and Human Services or their designees. For FY21, the Public Health Trust Fund will direct approximately **\$10 million to gaming research, responsible gaming and problem gambling prevention and treatment programs**. MGC and the Department of Public Health set an annual budget for expenditures from the Public Health Trust Fund, which includes funding for the annual gaming research program.

RESEARCH STUDIES AND ACTIVITIES

Launch of online research library and data sharing portal:



During this last year we launched a robust online research library and data sharing portal, which will improve transparency and access to MGC's extensive and growing collection of gaming-related research datasets. The new web-based information platform, located at MassGaming.com, offers a categorized and centralized repository of the research program's wide-ranging studies and data. This initiative also introduces the MGC's newly established Massachusetts Open

Data Exchange (MODE), a program designed to build upon existing research to foster broad access to data for people with differing skills. MODE invites researchers of all disciplines to use available gaming-related data to advance the empirical evidence and knowledge base about the social and economic effects of casinos on individuals and communities.

Research Study: Massachusetts Gambling Impact Cohort Wave 4 Report

Released July 30, 2020

This report examines four waves of the Massachusetts Gambling Impact Cohort (MAGIC), the first major adult cohort study of gambling conducted in the United States. By surveying the same individuals over time, cohort studies provide information on how gambling and problem gambling develops, progresses, and remits. This has significant value as it can highlight risk and protective factors important in developing effective prevention, intervention, treatment, and recovery support services.

Key findings: There was an increase in recreational gamblers observed in Wave 3 and Wave 4. Wave 4 saw an increase in problem gamblers plausibly related to the introduction of casinos in the state but the magnitude of the change was quite small. Non-gamblers and recreational gamblers were stable categories across waves while at-risk and problem gamblers were found to be less stable as they exhibited an increased frequency of transitioning between different gambler types across waves (e.g., at-risk gambler in Wave 2 to recreational gambler in Wave 3).

Research Study: Gambling formats, involvement, and problem gambling: which types of gambling are more risky?

Published in BMC Public Health on May 18, 2020

This study explores the relationship between problem gambling and gambling formats and involvement (i.e., number of gambling formats an individual participates in). This has important implications for the regulation of gambling formats and for the allocation of problem gambling prevention and treatment services.

Key Findings: The study found that groups of monthly gamblers participating in casino gambling, bingo, and sports betting contained a higher proportion of problem gamblers. High gambling involvement was positively associated with problem gambling; however, a large minority of gamblers experienced problems while engaging in only one or two forms of gambling. Gambling involvement was also positively associated with intensity of gambling. Therefore, intensity of gambling may be partly driving the relationship between involvement and problem gambling. Specific gambling formats mediated the relationship between involvement and problem gambling. In Massachusetts, participating in casino gambling was more closely associated with problem gambling than other formats across all levels of involvement.

Assessing the Influence of Gambling on Public Safety in Massachusetts Cities and Towns; Analysis of the influence of Encore Boston Harbor on its surrounding community during its first six-months of operation

Released May 7, 2020

This report examines increases and decreases in public safety activity in the communities surrounding Encore Boston Harbor since the casino opened. The research team collected data from the records management systems of Everett, Boston, Chelsea, Lynn, Malden, Melrose, Revere, and Somerville Police Departments and the Massachusetts State Police. Key findings:

Key Findings: Encore hosted more than 3 million visitors in its first six-months of operation and was the site of 124 arrests and 506 ejections. The facility itself (just considering incidents at the casino) led to a 9.5% increase in violent crime, a 5.1% increase in property crime, and a 6% increase in total crime, and a 4.1% increase in calls for service for the City of Everett. The report's author and crime analyst, Christopher Bruce, noted that these figures are not notably high given the sheer number of people that Encore hosts.

Overall, violent, property, and total crime were within expected ranges for the region and most cities individually. A major exception is an increase in traffic complaints in neighborhoods to the north and east of Encore, perhaps reflecting patrons parking on local streets when the garage is full.

Assessing the Impact of Gambling on Public Safety in Massachusetts Cities and Towns: Analysis of changes in police data following one year of activity at MGM Springfield

Released February 27, 2020

This report examines increases and decreases in public safety activity in the communities surrounding MGM Springfield since the casino opened. The research team collected data from the records management systems of Springfield, Agawam, Chicopee, East Longmeadow, Hampden, Holyoke, Longmeadow, Ludlow, Northampton, West Springfield, and Wilbraham Police Departments and the Massachusetts State Police.

Key findings: The casino contributed to 1.4% to the city's violent crime total, 1.2% to its property crime total, 1.5% to its overall crime total and 1.0% to its calls for service. There were 208 total arrests at the casino during its first year of operations. ☐ The surrounding communities saw some increases and decreases, but very few consistent trends to which MGM Springfield serves as a clear source. ☐ Issues most likely influenced by the casino include:

- o An increase in traffic collisions and traffic-related calls for service
- o An increase in activity at Union Station in Springfield specifically
- o An increase in minor disorder and suspicious activity just across the two bridges in West Springfield
- o An increase in late-night activity at the Pride gas station across the street from MGM Springfield.

☐ Despite hypotheses from before the casino opened, there is, so far, no sign that the presence of the casino has increased crime or calls for service at hotels, restaurants, bars, and gas stations, except the Pride gas station across the street from the casino.

Lottery Revenue and MGM Springfield: Statewide and Local Analysis Report

Released April 9, 2020

This report examines changes in lottery revenue statewide, in Springfield, and in the communities surrounding MGM Springfield for the purpose of identifying potential impacts associated with expanded casino gambling.

Key Findings: Total lottery sales in Springfield decreased 3.05% in the first year after the opening of MGM Springfield compared to the year before. This may reflect random annual fluctuation in lottery sales or unusually high sales in Springfield in the year just prior to the casino opening. Total lottery sales in the designated surrounding communities decreased 0.38% in the first year after the opening of MGM Springfield compared to the year before.

Talking About Casino Gambling: Community Voices from Boston Chinatown

Released October 24, 2019

This pilot study examined the casino gambling practices of residents and workers in Boston Chinatown. The aim was to learn about the trajectory and life context of individual participants' gambling activity, including how individual participants describe their motivation, nature and frequency of gambling, and its effects on self and family.

Key Findings: Participants (n=23) expressed concern about increased risk for problem gambling with the establishment of the new Encore Boston Harbor casino. There are no culturally-appropriate prevention and treatment programs in Chinatown. Interview themes point to why there is an urgent need to fill this

gap: concentrated poverty, social isolation, language and cultural difference, lack of recreational alternatives, and the longstanding practice of casino targeted advertising to Chinatown community members. The need for evidence-based and culturally appropriate prevention and treatment programs is shared by other low-income Asian American communities in Massachusetts.

The Construction of MGM Springfield; Spending, Employment, and Economic Impacts

Released: October 1, 2019

This report examines the construction of the MGM Springfield casino and its economic impacts in the Commonwealth. Over the course of the casino's construction, UMASS Donahue Institute worked with the Massachusetts Gaming Commission and MGM Springfield to obtain data on the spending, employment, and wages related to the construction of MGM Springfield.

Key Findings: Over two-thirds (2,963 of 4,249) of the construction workers were Massachusetts residents. Two-thirds of the construction budget (\$373.8M of \$573.2M) went to firms based in Massachusetts. Half of that (\$194.3M) (or a third of the total) remained in Hampden County. Nearly \$84M went to firms based in the City of Springfield. Overall, total statewide economic activity increased by \$849 million over the five-year construction period. Net new economic activity (i.e., value added or gross state product) totaled \$512 million. About 1,000 jobs were created or supported by this economic activity. These jobs accrued \$397 million of income.

Real Estate Impacts of MGM Springfield in Springfield and Surrounding Communities

Released September 23, 2019

This report documents any notable changes to the Springfield area's real estate market following the awarding of a casino license to MGM Springfield in June 2014 and the subsequent opening of MGM Springfield in August of 2018.

Key Findings: There was a steady increase in the number of multi-family home sales in Springfield following the announcement of the license award. This coincides with key informants' observations suggesting that outside interests have been investing in apartment buildings in the area since the casino license announcement. However this seemed to have little impact on inflation-adjusted median sales prices of single-family homes and condominiums in Springfield. Median sales prices of both housing types increased slightly or remained relatively flat between the casino's licensing and opening.

There was a slight growth in commercial and industrial building area in Springfield following the license announcement. For most of the study period (2008-2018), Springfield added new rentable commercial space at a slightly slower rate than the Commonwealth as a whole and lagged in terms of industrial buildings. That trend reversed at the end of 2018 with the addition of MGM Springfield and the CRRC MA rail car factory in East Springfield.

RESPONSIBLE GAMING INITIATIVES

Since its inception, the MGC has developed, implemented and refined its responsible gaming strategy in order to respond to patrons needs. Responsible gaming is a key area of focus of the MGC and its mission of maximizing economic development while minimizing the potentially negative and unintended consequences of gaming. The ongoing Responsible Gaming programs are now deployed at Plainridge Park Casino, MGM Springfield, and Encore Boston Harbor. Those programs are:

The Voluntary Self-Exclusion Program (VSE):

The Voluntary Self-Exclusion program assists patrons who recognize that they have experienced a loss of control over their gambling and wish to invoke external controls. In this program (required by statute) persons on the list are prohibited from entering the gaming floor and if they do, their gambling wins and losses are confiscated and transferred to the MGC Gaming Revenue Fund. Enrollment terms are 1-year, 3-years, or 5-years. The VSE contract covers all Massachusetts casino properties. The MGC voluntary self-exclusion process utilizes an engaged approach, ensuring that the enrollee obtain the assistance needed, is responded to in a respectful, timely, and discreet manner, and feels supported. To date, over 700 people have enrolled in the program including 125 who have removed themselves from the list at the conclusion of their term.

GameSense:

GameSense is an innovative responsible gaming program based at Massachusetts casinos with a goal of promoting positive play behaviors and attitudes that reduce the risk of gambling related harm. In furtherance of the statute, which calls for an on-site player protection program staffed by a third party, the MGC licensed GameSense from the British Columbia Lottery Corporation in 2015 and drew upon the experience of the Massachusetts Council on Gaming and Health staff and operate the program at Encore Boston Harbor, MGM Springfield, Plainridge Park Casino.

GameSense Advisors engage with casino patrons to promote informed player choice. Most people who visit Massachusetts casinos engage in gambling behavior that is nonproblematic, also known as positive play. GameSense Advisors staff the GameSense Info Center and on the casino floor through innovative games, quizzes, and other demonstrations, meant to debunk gambling myths and misconceptions, and educate players on how games, odds and probabilities work.

- Between July 2019 through casino closures due to Covid19 in mid March 2020, GameSense Advisors had 33,631 conversations pertaining to responsible gaming and problem gambling with 40,509 casino patrons and employees.
- Primary topics discussed in these conversations include *what is gamesense, how slots work, and general randomness, myths, and taking a break*

GameSense Advisors also engage with the community to promote informed player choice amongst vulnerable players before they visit the casino. The goal of these educational presentations is to empower individuals before they visit the casino where it can become more difficult to limit self control.

- Between July 2019 through casino closures due to Covid19 in mid March 2020, GameSense Advisors lead 50 presentations to vulnerable populations including Seniors, Asians, Blacks, Youth and Veterans.

GameSense Advisors also train and coordinate with casino employees to further the goal of to promoting responsible gaming and mitigating problem gambling. In partnership with the three casino licensees, GameSense Advisors provide new-hire orientation and advanced responsible gaming trainings to support casino employees to take action to support patrons in need of assistance.

- Between July 2019 through casino closure due to Covid19 in mid March of 2020, GameSense Advisors had 1,773 conversations pertaining to responsible gaming and problem gambling with casino staff
- GameSense Advisors led 122 responsible gaming and problem gambling trainings designed specifically for casino staff across all three casinos

Play-My-Way

PlayMyWay (PMW) is a first-of-its-kind budgeting tool designed to allow players the ability to monitor the amount of money they spend on electronic gaming machines. PMW is currently available at Plainridge Park Casino, and scheduled to launch in 2021 at MGM Springfield and Encore Boston Harbor. GameSense Advisors play a critical role in PMW, as they serve as the primary customer service representation when it comes to program related questions.

- Once enrolled, a player receives automatic notifications as he or she approach 50%, 75%, and 100% of their daily, weekly, or monthly budget.
- A player can choose to stop at any point or keep playing.
- Players can enroll, adjust their budget, or un-enroll in PlayMyWay at any time.

The program is completely voluntary and provides players with real-time data so that they stay in control of their gambling. Between the launch of PMW in June 2015 through the closure of casinos in March 2020, there were 25,735 players actively enrolled in the program, with an average un-enrollment rate of 13%. An evaluation of the program found that typical PlayMyWay users wagered less money at PPC during the study period, made fewer visits to PPC, and tended to lose less money at PPC (Tom, Singh, Edson, et al., 2017).

CASINO PROPERTY & PROJECT SUMMARIES

PLAINRIDGE PARK CASINO

PPC is the Category 2 licensee in Plainville, Massachusetts. The facility also hosts the Standardbred live racing and simulcasting operations.

Conditional Award of the License February 2014

Operations Certificate/Date Opened June 24, 2015

Gaming Space 43,800 square feet

Capital Investment Amount \$250 million

Employees 503 employees (as of September 2019)

Tax on Gross Gaming Revenues 49%

Slots/Gaming Positions 1,245 slots/1,320 gaming positions

Table Games N/A

Additional Amenities 2 Full-Service Restaurants (“Flutie’s Sports Bar” and “Slack’s Oyster House & Grill”)

3 food court style eateries (“B-Good” “Dunkin’ Donuts” “Slice”] Live Entertainment (“Revolution Lounge”) Additional racing concessions/outlets

Property Summary Upon Re-Opening (post July 2020):

Employees 312 permanent jobs (as of September 2020)

Slots/Gaming Positions 788 gaming positions

Table Games N/A

Additional Amenities 1 Full-Service Restaurant (“Slack’s Oyster House & Grill” with reduced hours F/S/S 2pm–10pm) 3 food court style eateries (“B-Good” “Dunkin’ Donuts” “Slice”)

ENCORE BOSTON HARBOR

Encore Boston Harbor is a Category 1 licensee for Region A in Everett, MA. The facility sits on the formerly contaminated site on the banks of the Mystic River at the site of the former Monsanto plant.

Conditional Award of the License: September 2014

Opening Date June 23, 2019

Gaming Space 190,461 square feet

Total Investment Amount \$2.6 billion

Total Employment 5,266 permanent jobs (as of September 2019)

Tax on Gross Gaming Revenues 25%

Slots 2,832 Slot Machines (approximately 2,972 slot gaming positions)

Table Games 167 gaming tables, 74 poker tables (approximately 1,668 table gaming positions)

Additional amenities 5-star hotel (671 rooms), 77,250 sf retail space, 12 outlets of Food & Beverage, 3 bars & lounges, multipurpose venue, spa/gym, convention space, extensive outdoor and waterfront space with pavilion and public harbor walk, indoor garden

Property Summary Upon Re-Opening (post July 2020):

Total Employment 3,594 permanent jobs (as of September 2020)
Slots 1,851 Slot Machines (approximately 2,231 slot gaming positions)
Table Games 184 gaming tables (approximately 552 table gaming positions)
Additional amenities 5-star hotel (671 rooms), various retail outlets, 9 outlets of Food & Beverage (buffet, bars and night club remain closed), multipurpose venue with limited occupancy, spa.

MGM SPRINGFIELD

MGM Springfield is a Category 1 licensee for Region B in Springfield, MA. The facility is located on approximately 14 acres in downtown Springfield in the congregation of parcels bound by Main, State, Union and East Columbus streets.

Conditional Award of the License June 2014

Opening Date August 24, 2018

Gaming Space 126,262 square feet

Total Gross Area 759,157 square feet

Total Investment Amount \$960 million*

Tax on Gross Gaming Revenues 25%

Parking 3,375 covered on site

Total Employment 2,100 permanent jobs (as of September 2019)

Slots 1,891 slots (approximately 2,011 slot gaming positions)

Table Games 100 tables (approximately 600 table gaming positions)

Other Amenities 4-star hotel (250 rooms), 8 outlets for Food & Beverage, 26,000 sf of retail space, bowling alley, cinema and 54 residential units

*Does not include \$60.7 million for Land and \$75.5 million for Capitalized Interest

Property Summary Upon Re-Opening (post July 2020):

Total Employment 911 permanent jobs (as of September 2020)

Slots 986 slots (approximately 1,106 slot gaming positions)

Table Games 30 tables (approximately 90 table gaming positions)

Other Amenities 4-star hotel (250 rooms but only 50 rooms available to invited guests only), 3 outlets for Food & Beverage (Sports Bar, Steakhouse and the South End Market with several options), limited retail space (Gift Shop, Hannoush Jewelers and Fed Ex)

RACING OPERATIONS

MGC is also responsible for the operational and fiscal oversight of the Standardbred and Thoroughbred racing operations, and pari-mutuel and simulcasting facilities in the Commonwealth (under G.L. c 128A & 128C).

FY20 marked the sixth year that the Race Horse Development Fund had monies available to supplement purses, and accordingly the Commission approved disbursements for the prescribed purposes in the manner recommended by the Horse Racing Committee in accordance with G.L. c. 23K, §60.

LIVE RACING AND SIMULCASTING AT LICENSED FACILITIES

STANDARDBRED RACING

Due to the Covid-19 emergency, live racing operations started on July 6, 2020 with qualifying races on July 13, 2020 (the start of a regular season would have been in early April). Calendar year 2020 will see 68 days of racing. For this shortened meet, the Racing Division will issue approximately 1,000 occupational licenses.

The 2020 harness racing season saw the revivals of the \$250,000 Spirit of Massachusetts Trot, and the \$100,000 Clara Barton Pace. Approximately \$720,000 will be distributed as purses in the finals of the races for Massachusetts bred horses, known as the Sire Stakes.

For the upcoming 2021 calendar year, Plainridge is planning on 110 race days.

THOROUGHBRED RACING

For the calendar year 2019, live Thoroughbred racing was conducted at Suffolk Downs for a total of 6 days. For the meet, the Division of Racing issued approximately 860 occupational licenses. This was the last year of racing at Suffolk Downs, which originally opened in 1935. Though interest has been expressed by others in continuing Thoroughbred racing at other sites in Massachusetts, it is unlikely that there will be any live Thoroughbred racing in 2021 (see recommendations for legislative action in page 6 of this report).

SIMULCASTING

Simulcasting and account wagering is conducted year-round at the following facilities:

- Plainridge Park Casino, including Hollywood Races
- Raynham Park
- Suffolk Downs, including Twin Spires, TVG, Xpressbets, NYRA Bets, FanDual Racing, Wonderland

For FY20, total pari-mutuel handle in the Commonwealth reached \$221 million (approximately a 0.89% decrease from the prior year).

During the fiscal year, the Division of Racing implemented safety measures to operate under the social distancing guidelines issued by the Governor and public health officials.

In addition, the Racing Division continued efforts to enhance the safety and welfare of racing participants, as well as monitor and regulate the racing operations in the Commonwealth. Key activities included:

- Virtual participation in Association of Racing Commissioners International meetings, continuing education, and Racing Officials Accreditation Program training.
- Massachusetts Gaming Commission Chief Steward Susan Walsh was awarded the Pete Pedersen Award by the Racing Officials Accreditation Program, their highest honor given to Stewards for their dedicated service and special contributions to the horse racing industry.
- Cutting edge updates to racing regulations

DISBURSEMENTS OUT OF THE RACE HORSE DEVELOPMENT FUND

During FY20, the Commission made disbursements in accordance with c. 23K and the recommendations for the split (between Standardbred and Thoroughbred horsemen) of the statutory Horse Racing Committee. The distributions out of the Race Horse Development Fund were as follows:

ENTITY	AMOUNT	STATUTORY PURPOSE
HARNESS HORSEMEN’S ASSOCIATION	309,008	Health & Welfare of Harness Horsemen
MASSACHUSETTS THOROUGHBRED BREEDERS ASSN	743,537	Thoroughbred Breeders Program
NEW ENGLAND HORSEMEN’S BENEVOLENT	188,415	Health & Welfare Thoroughbred Horsemen
PLAINVILLE GAMING AND REDEVELOPMENT LLC	6,180,162	Standardbred Live Racing Purses
STANDARDTBRED OWNERS OF MASSACHUSETTS	1,236,032	Standardbred Breeders Program
STERLING SUFFOLK	0	Thoroughbred Live Racing Purses
Grand Total	\$8,657,155	

We note that the total disbursements of \$8.6 million above for FY20 were significantly lower than the prior year total disbursements of \$17 million for two main reasons: (1) The suspension of operations of casinos from March 10, 2020 to the end of the fiscal year of June 30, 2020 had a direct effect on the funding of the RHDF as it is exclusively funded through certain taxes on gaming revenues. Further, the calendar racing year of 2019 was the last time that live racing took place at Suffolk Downs, and those live racing days took place in in April and June of 2019 (the previous FY19).

TAX COLLECTIONS & AGENCY FINANCES

MGC's Division of Administration and Finance (A&F), led by the Chief Financial and Accounting Officer, is responsible for the strict oversight of the revenues at the casino and the collection of taxes due to the Commonwealth from those operations. The taxes and assessments on gross gaming revenues for the Category 2 licensee is 49%. The tax on Category 1 licensees is 25%.

The division is also in charge of completing all financial transactions and coordinating with other functional areas to complete administrative functions including, but not limited to:

- Accounting,
- Budgeting,
- Payroll, and
- HR, inclusive of classification and compensation within the MGC structure.

GAMING REVENUES AND TAX COLLECTIONS

FY20 covers the period of July 1, 2019 through June 30, 2020. However, gross gaming revenue figures for all three licensees represent approximately 8.5 months of activity as a result of the closure of casinos on March 15th.

In its fifth year of operation, the Category 2 licensee reported \$96.13M in gross gaming revenues which generated \$38.45M in tax dollars to local aid and \$8.65M in assessments to the racehorse development fund for a total of \$47.1 million in taxes.

MGM Springfield reported \$173.48M in gross gaming revenue which generated \$43.37M in taxes for the Commonwealth. Encore Boston reported \$418.76M in gross gaming revenue, which generated \$104.69M in taxes. The total of taxes for Category 1 licensees amounted to \$148.06 million

Combined, all licensees contributed \$195.2 million to the Commonwealth for FY2020.

Below are charts by month by licensee. The same information can be found on the MGC website under the revenue section.

CATEGORY 1 LICENSEE REVENUE

MGM Springfield FY20

Month	Total Slot and Table GGR	Total (25%) in collected state taxes
July	\$20,398,605.38	\$5,099,651.35
August	\$20,966,172.21	\$5,241,543.05
September	\$20,253,695.73	\$5,063,423.93
October	\$21,193,386.13	\$5,298,346.53
November	\$19,936,451.32	\$4,984,112.83
December	\$18,953,212.26	\$4,738,303.07
January 2020	\$20,601,571.27	\$5,150,392.82
February	\$21,856,214.17	\$5,464,053.54

March	\$9,328,326.66	\$2,332,081.67
April	\$0.00	\$0.00
May	\$0.00	\$0.00
June	\$0.00	\$0.00
Total FY20	\$ 173,487,635.13	\$ 43,371,908.78

Encore Boston Harbor FY19

Month	Total Slot and Table GGR	Total (25%) in collected state taxes
July	\$48,574,567.42	\$12,143,641.86
August	\$52,486,239.66	\$13,121,559.92
September	\$48,958,335.98	\$12,239,584.00
October	\$45,812,827.11	\$11,453,206.78
November	\$47,308,089.30	\$11,827,022.33
December	\$54,013,175.77	\$13,503,293.94
January 2020	\$48,570,988.57	\$12,142,747.14
February	\$52,518,316.18	\$13,129,579.05
March	\$20,525,175.42	\$5,131,293.86
April	\$0.00	\$0.00
May	\$0.00	\$0.00
June	\$0.00	\$0.00
Total FY20	\$ 418,767,715.41	\$ 104,691,928.85

CATEGORY 2 LICENSEE REVENUE

Plainridge Park Casino (PPC) FY20

Month	Slot GGR	Total in collected state taxes (40%)	Total in collected race horse dev fund (9%)
July	\$12,535,760.72	\$5,014,304.29	\$1,128,214.09
August	\$12,080,416.50	\$4,832,166.60	\$1,087,237.48
September	\$11,543,072.37	\$4,617,228.95	\$1,038,876.51
October	\$11,246,655.34	\$4,498,662.14	\$1,012,198.98
November	\$10,978,221.85	\$4,391,288.74	\$988,039.97
December	\$10,206,565.17	\$4,082,626.07	\$918,590.87
January 2020	\$11,083,477.98	\$4,433,391.19	\$997,513.02
February	\$11,700,530.53	\$4,680,212.21	\$1,053,047.75

March	\$4,756,695.12	\$1,902,678.05	\$428,102.56
April	\$0.00	\$0.00	\$0.00
May	\$0.00	\$0.00	\$0.00
June	\$0.00	\$0.00	\$0.00
Total FY20	\$96,131,395.58	\$38,452,558.23	\$8,651,821.22

AGENCY FY20 FINANCIAL RESULTS

The Massachusetts Gaming Commission approved a FY20 budget for the Gaming Control Fund of \$34.2M which required an initial assessment of \$29.78M on licensees. After three quarters of adjustments, including the reductions implemented due to closures from COVID-19, the MGC's revised budget was \$33.77M, which required a \$26.19M assessment on licensees. Included in both the spending estimates and revenue estimates were the costs for the independent monitor at Encore Boston Harbor (EBH).

Actual spending for FY20 in the gaming control fund was \$32.69M and revenues were \$33.75M. Included in the spending of \$32.69M was \$1M in expenses for the independent monitor at EBH, however, the offsetting revenue was not received until after June 30, 2020, and was credited to Fiscal Year 2021 because the Commonwealth operates on a modified cash basis of accounting. Therefore, while it would appear that the surplus revenue was the difference between spending and revenues, or \$1.06M, the actual difference has to account for the additional \$1M in independent monitoring expenses that was paid for by all licensees in FY20 and reimbursed by EBH in FY21, resulting in a surplus of \$2.06M.

10500001 — GAMING CONTROL FUND

Spending	Budget Projections	Actuals
10500001--Gaming Control Fund		
MGC Regulatory Cost		
AA REGULAR EMPLOYEE COMPENSATION	\$ 7,408,944.22	\$ 7,282,863.88
BB REGULAR EMPLOYEE RELATED EXPEN	\$ 59,503.50	\$ 33,900.75
CC SPECIAL EMPLOYEES	\$ 176,000.00	\$ 143,255.87
DD PENSION & INSURANCE RELATED EX	\$ 2,746,198.30	\$ 2,708,480.30
EE ADMINISTRATIVE EXPENSES	\$ 583,064.08	\$ 417,425.03
FF PROGRAM, FACILITY, OPERATIONAL SUPPLIES	\$ -	\$ 10,583.38
GG ENERGY COSTS AND SPACE RENTAL	\$ 1,304,017.35	\$ 1,331,743.11
HH CONSULTANT SVCS (TO DEPTS)	\$ 1,892,122.56	\$ 2,197,580.27
JJ OPERATIONAL SERVICES	\$ 9,998,800.27	\$ 8,983,069.31
KK Equipment Purchase	\$ 50,500.00	\$ 18,435.14
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$ 35,450.98	\$ 44,174.80
NN NON-MAJOR FACILITY MAINTENANCE REPAIR	\$ 33,318.00	\$ 1,189.00
PP STATE AID/POL SUB/OSD	\$ 200,000.00	\$ 220,430.00
TT PAYMENTS & REFUNDS	\$ -	\$ -
UU IT Non-Payroll Expenses	\$ 3,759,416.88	\$ 3,848,050.08

MGC Regulatory Cost Subtotal:	\$ 28,247,336.14	\$ 27,241,180.92
	\$ -	
EE--Indirect Costs	\$ 2,037,294.23	\$ 2,165,572.44
	\$ -	
Office of Attorney General	\$ -	
ISA to AGO	\$ 2,510,000.00	\$ 1,912,138.80
TT Reimbursement for AGO 0810-1024	\$ -	\$ 514,528.23
AGO State Police	\$ 908,277.62	\$ 785,439.37
Office of Attorney General Subtotal:	\$ 3,418,277.62	\$ 3,212,106.40
ISA to ABCC	\$ 75,000.00	\$ 70,734.33
Gaming Control Fund Total Costs	\$ 33,777,907.99	\$ 32,689,594.09

Revenues	Budget Projections	Actuals
Gaming Control Fund Beginning Balance 0500	\$ 1,439,303.25	\$ 1,439,303.26
EBH Security Fees 0500	\$ 118,535.16	\$ 118,535.16
IEB background / investigative collections 3000	\$ 669,040.99	\$ 676,317.69
Category / Region _ collection Fees 0500	\$ -	\$ -
Independent Monitoring Fees	\$ 832,928.08	\$ -
Phase 1 Refunds 0500	\$ -	\$ -
Phase 2 Category 1 Collections (restricted) 0500	\$ -	\$ -
Region C Phase 1 Investigation Collections 0500	\$ -	\$ -
Region C Phase 2 Category 1 Collections 0500	\$ -	\$ -
Grant Collections (restricted) 0500	\$ -	\$ -
Region A slot Machine Fee 0500	\$ 1,864,200.00	\$ 1,864,200.00
Region B Slot Machine Fee 0500	\$ 1,306,200.00	\$ 1,306,200.00
Slots Parlor Slot Machine Fee 0500	\$ 750,000.00	\$ 750,000.00
Gaming Employee License Fees (GEL) 3000	\$ 422,050.00	\$ 434,450.00
Key Gaming Executive (GKE) 3000	\$ 1,000.00	\$ 1,000.00
Key Gaming Employee (GKS) 3000	\$ 7,100.00	\$ 7,100.00
Non-Gaming Vendor (NGV) 3000	\$ 34,000.00	\$ 40,300.00
Vendor Gaming Primary (VGP) 3000	\$ 60,000.00	\$ 64,550.00
Vendor Gaming Secondary (VGS) 3000	\$ 20,000.00	\$ 35,000.00
Gaming School License (GSB)	\$ -	\$ -
Gaming Service Employee License (SER) 3000	\$ 28,050.00	\$ 5,425.00
Subcontractor ID Initial License (SUB) 3000	\$ -	\$ -
Temporary License Initial License (TEM) 3000	\$ -	\$ -
Veterans Initial License (VET) 3000	\$ -	\$ -
Transfer of Licensing Fees to CMF 0500	\$ -	\$ -
Assessment 0500 (adjustment)	\$ 26,190,691.25	\$ 26,954,742.06
Misc/Bank Interest 0500	\$ 34,809.58	\$ 52,863.19
Grand Total	\$ 33,777,908.31	\$ 33,749,986.36

AGENCY HEADCOUNT & DIVERSITY

The chart below represents the recent and current headcount by the department. The numbers below do not include state police assigned to the Commission, or FTEs in the Attorney General’s Gaming Enforcement Division.

HEADCOUNT BY DEPARTMENT/DIVISION	HEADCOUNT FY18	HEADCOUNT FY19	HEADCOUNT FY20
Commissioners & Staff	5	5	5
Executive Director & Staff	6	5	4
Communications	2	2	2
Investigations & Enforcement	22	45	43
Licensing	5	6	6
General Counsel, Legal & Policy	12	12	10
Human Resources	3.5	2.5	2.5
Finance	5.5	6.5	6.5
Information Technology	6	7	8
Racing ¹	2	3	3
	85	94	90

¹Racing numbers do not include seasonal employees

REGULAR EMPLOYEES

The chart below depicts the diversity and gender ratios of the Commission as of the end of FY19 & FY20.

DEMOGRAPHIC	FY19	FY20
Caucasian	83%	79%
Diverse	17%	21%
Female	50%	50%
Male	50%	50%

WORKFORCE, SUPPLIER & DIVERSITY DEVELOPMENT

Our office of Workforce, Supplier and Diversity Development works with stakeholders, licensees, state and local groups as well as community groups to maximize the benefits associated with employment and supplier spend. Efforts in these areas can be divided into (1) Monitoring & Compliance of Licensees and (2) Workforce, Supplier and Diversity Development Efforts.

DIVERSITY MONITORING AND COMPLIANCE

MGC ensures licensees compliance with the Gaming Act's goals for business, workforce development and diversity during construction and operations. MGC's efforts and those of licensees include requirements to (1) Set goals and submit strategic plans for the inclusion of minority, women and veterans (2) Regularly report progress towards those goals, (3) Support workforce development programs and affirmative action plans for the training and hiring of underemployed and unemployed and (4) Strategize with stakeholders for the hiring of Massachusetts residents and contracting with local diverse small businesses.

Last year marked the completion of the construction phase for Encore (June 2019) and a broader focus towards monitoring diversity compliance during the operations phase for all licensees. We performed compliance reviews of licensees' plans regarding Wages and Benefits, Regional Tourism, Marketing & Hospitality Plan, Workforce Development Plan/Affirmative Action Program, and Operational Hiring Commitments.

Diversity Audit: MGC staff continued the comprehensive review of **Encore Boston Harbor's** construction diversity reporting on commitments and total contract spend initiated in early 2019 including confirmation of payments made to Veteran Business Enterprises. The review team was satisfied with the accuracy and sufficiency of the documentation substantiating diversity numbers reported to MGC for the construction period. This process mirrors a review performed during the last fiscal year of MGM's reporting. Additionally, since 2017, PPC's internal audit team includes an audit into the accuracy of the information in Plainridge Park Casino's Human Resources Information Systems specific to employees places of residence, ethnicity, and full or part time status so that the Commission may rely on the data that is presented quarterly in the reports from the licensees. All audits conducted by the casino have been reviewed by MGC's independent audit firm, Eide Bailey, and show that the information in the HR systems is accurate and may be relied on.

Plainridge Park Casino's Workforce Commitment and Diversity Plan Review: During this fiscal year, MGC reviewed **Plainridge Park's** amended Workforce Diversity Plan. The new plan took into account lower unemployment rates at the time, a more competitive gaming market, the neighboring Rhode Island economy, as well as recent changes to the Massachusetts minimum wage. The Commission approved the revised plan in June 2019. PPC's revised hiring goals are now as follows:

- Hire 35% of PPC workforce from host and designated surrounding communities (adjusted from a best-efforts goal of 90% that was never reached)
- 15% of PPC workforce be comprised of individuals from ethnic minority groups (revised from an original goal of 10%)
- 50% of PPC workforce will be women (new goal)
- 2% of PPC workforce will be veterans (new goal)
- Hire 65% of PPC workforce from Massachusetts (new goal)

The plan included several enhanced strategies and tactics to meet the proposed goals (career fairs,

college fairs, partnership with career centers and hiring events). MGC will continue to monitor compliance with the activities described in the plan.

Sharing Information and Best Practices: We have established protocols and procedures to ensure compliance and accountability with minority, women and veteran hiring. The results achieved during the construction phase of casino development were possible with the steadfast commitment of licensees, their project diversity teams, and the unyielding efforts and dedication of many stakeholders. The MGC commissioned *Build to Last: Best Practices for Diversity in the Construction Industry* report to capture and share the promising practices that led to enhanced diversity and create a lasting legacy chronicling the equity and inclusion practices during casino construction – a road map for other projects to follow. This report articulates the commitment, leadership and innovation required to not only meet, but consistently strive to exceed the requirements of the law.

We released the report at an October 2019 event at Smith College in Northampton. The event brought together an audience of developers, cities, towns, universities and other anchor institutions in Central and Western Massachusetts to learn from casino licensees and others who were leading the way on achieving diversity in their construction projects.

WORKFORCE, SUPPLIER AND DIVERSITY DEVELOPMENT EFFORTS

Small Business Technical Assistance: In Fall 2020 we released an RFP to provide targeted, intensive, one on one consulting expertise to rapidly growing small and medium-sized Massachusetts-based companies who are current vendors to one of the three casinos, or a company that is identified by a casino as a potential vendor. The MGC issued two grants totaling \$150,000 to the Franklin County Community Development Corporation (FCCDC) and Local Enterprise Assistance Fund (LEAF) to achieve these key objectives:

- Work with companies that are identified by a casino as a potential vendor but for a specific issue that could be supported by technical assistance
- Identify Massachusetts-based and Minority, Women and Veteran Business Enterprises (MWVBE) businesses in procurement categories identified by the licensee

The FCCDC, a western MA non-profit works with growing businesses providing services such as business planning, financial counseling, marketing strategies, mentorship and financing. LEAF, a Boston based community development financial institution provides one-on-one advisory services and group workshops to disadvantaged small business owners with the goal of stabilizing and expanding their businesses through the development of financial management tools that support cost structure analysis, strategic pricing, sales budgeting, financial projections, cash flow management, and capital raises.

Industry Report: Additionally, in December 2019 the office of Workforce, Supplier and Diversity Development released it's 2018 Impact Report chronicling industry insights regarding impacts to local businesses and workforce, diversity measures and funding in support of workforce and diversity initiatives during the 2018 calendar year. Some highlights included:

- Nearly 12,000 individuals employed due to the casino industry, 73% from MA
- Over \$1.2 billion spent with MA businesses
- 5,891 minority individuals, veterans and women working
- \$236.7 million spent with MBE, VBE and WBE businesses

Covid Response: Due to the unprecedented impact of COVID-19 on the casino and racing workforce and small business vendors, we pivoted to provide information and resources through webinars, website resources and one on one technical assistance to those affected. We partnered with the Massachusetts Executive Office of Labor and Workforce Development to coordinate a remote presentation to casino leadership regarding MassHire Department of Career Services; Workshare program, an alternative to layoffs and Rapid Response, a pre-layoff service designed for companies and employees experiencing a layoff or closing.

MGC’s staff also hosted webinars aiming to offer information and strategies to small business owners navigating the economic impacts of COVID-19 on topics such as Managing Cash Flow During a Crisis and how to access financing. MGC hosted Robert Nelson, District Director of the U.S. Small Business Administration (SBA) Massachusetts District Office for a webinar coinciding with the issuance of an additional \$500 billion in COVID-19 relief, signed into federal law earlier the same day, re-funding the continuation of the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan Program. This forum offered gaming vendors the vital opportunity to learn about federal relief programs, including the day’s latest developments.

MGC also developed a list of continuously updated resources on the MGC website for impacted casino and horse racing industry employees and small businesses including emerging information about emergency funding for businesses, individuals, local governments, the CARES Act, the Paycheck Protection Program as well as other resources.

RESULTS ON LICENSEE DIVERSITY GOALS

CONSTRUCTION

With the completion of construction on the Encore Boston Harbor project and upon the official close out of project financials, the licensee submitted to the Commission a final report of the achievement of supplier and workforce diversity goals . The results are included below, as of May 2, 2020.

Encore Boston Harbor – Project Design

	# Contract Awards	Goal	Awarded to Date	\$ Awarded & Paid to Date
MBE	13	7.9%	9.0%	\$5.6 M
WBE	14	10.0%	8.6%	\$5.3 M
VBE	4	1.0%	5.9%	\$3.7 M
TOTAL	30	18.9%	23.4%	\$14.6 M

Total Qualified Design Spend = \$62,273,831

Encore Boston Harbor – Project Construction

	# Contract Awards	Goal	Awarded to Date	\$ Awarded & Paid to Date
MBE	81	5.0%	5.9%	\$83.0 M
WBE	152	5.4%	12.8%	\$180.7 M
VBE	49	1.0%	2.8%	\$39.4 M
TOTAL	252	11.4%	18.2%	\$257.2 M

Total Qualified Construction Spend = \$1,415,428,026

Encore Boston Harbor – Construction Workforce Participation

	# Workers *	# Diverse Workforce Hours *	Goal	% Diverse Workforce Hours to Date
Minority	1,870	1,535,990	15.3%	25.7%
Female	491	428,120	6.9%	7.2%
Veteran	311	315,042	3.0%	5.3%

Both PPC and MGM Springfield had no construction data to report during this time period.

OPERATIONS

All data is being provided from the reporting period just prior to the pandemic-related closures in March 2020. Casino licensee quarterly reports are expected to resume in November 2020. MGC Staff continues to monitor the impact these closures had on the local workforce and procurement.

Operational Diversity¹

Operations Workforce	Minority	Veteran	Women
	Goal Result	Goal Result	Goal Result
Encore Boston Harbor	40% 54%	3% 3%	50% 43%
MGM Springfield	50% 53%	2% 6%	50% 44%
Plainridge Park	15% 26%	2% 5%	50% 48%

¹ Encore – March 2020; MGM- February 27, 2020; PPC- As of December 2019

Operations Supplier	MBE	VBE	WBE
	Goal Result	Goal Result	Goal Result
Encore Boston Harbor	8% 7%	5% 3%	14% 10%
MGM Springfield	10% 3%	2% 1.6%	15% 14%
Plainridge Park	6% 7%	3% 5%	12% 16%

Operations Local Commitments

<i>Encore Boston Harbor</i>	Goal Result
Workforce within 30 miles	75% 87%
MA Supplier Spend	N/A 58%
<i>Plainridge Park Casino</i>	Goal Result
Host/Surrounding Community Workforce	35% 32%
MA Vendor Spend	N/A 53%
Host/Surrounding Community Spend	N/A 9%
<i>MGM Springfield</i>	Goal Result
Springfield Workforce	35% 39.5%
MA Workforce	N/A 78%
Western MA Workforce	N/A 76%
MA Supplier Spend	N/A 50%
Western MA Supplier Spend	N/A 38%

LITIGATION MATTERS

CITY OF BOSTON/REVERE/MOHEGAN SUN ET AL. V. MGC

Various municipalities and groups have filed suit contesting certain aspects of the Gaming Commission's issuance of the Region A Category 1 gaming license. Certain of these claims have been dismissed, either voluntarily or by order of the Massachusetts Superior Court. The Gaming Commission is currently defending the remaining intervenor claim filed by Mohegan Sun. That claim was argued before the Massachusetts Supreme Judicial Court in November 2016. On March 10, 2017, the Supreme Judicial Court issued a decision affirming Mohegan Sun's intervenor claim and remanding the case to the Superior Court for further proceedings. Briefing on Mohegan Sun's intervenor claim was completed in January 2018. Since the completion of the briefing on Mohegan Sun's intervenor claim, Mohegan Sun has filed a motion to amend its complaint. The Gaming Commission opposed this motion and, on July 16, 2018, the Superior Court allowed Mohegan Sun's motion in part and denied it in part, thus granting Mohegan Sun the right to add additional information to its existing complaint. The parties are in the process of finalizing the administrative record for purposes of engaging in further motion practice.

FBT V. MGC

On November 14, 2016, the Gaming Commission was sued by FBT Everett Realty, LLC for tortious interference with respect to the plaintiff's agreement to sell property to Wynn Resorts for the Region A Category 1 facility in Everett. The plaintiff is requesting damages as determined at trial. On May 14, 2018, the Superior Court granted the Gaming Commission's motion to dismiss on two of three claims then remaining. The Gaming Commission is proceeding with its defense of the remaining claim. On July 5, 2018, the Gaming Commission filed a third-party complaint against the Region A Category 1 licensee for unjust enrichment and indemnification relating to the remaining claim against the Gaming Commission. The Region A licensee filed a motion to dismiss the complaint. On January 2, 2020, the court issued a decision effectively denying the motion to dismiss. As a result, the Region A licensee remains a party to the case. The case is now in the discovery phase.

LITTLEFIELD ET AL. V. UNITED STATES DEPARTMENT OF THE INTERIOR, 199 F.SUPP.3D 391 (2016), U.S DISTRICT COURT, MASSACHUSETTS

LITTLEFIELD, ET AL. V. MASHPEE WAMPANOAG INDIAN TRIBE, U.S. COURT OF APPEALS FOR THE FIRST CIRCUIT

MASHPEE WAMPANOAG TRIBE V. BERNHARDT, U.S. DISTRICT COURT, DISTRICT OF COLUMBIA (COLLYER, J.)

MGC is not a party to these legal challenges, but as an interested observer, and as directed by G.L. c.23K, §67, the MGC will continue to monitor the developments and status of the Mashpee Wampanoag Tribe ("Mashpee Wampanoag" or "Tribe") and their pursuit of federal recognition and to take land into trust for tribal economic development .

In March 2016, the Mashpee Wampanoag tribe announced that it would commence construction of a tribal resort casino in the third region (Region C), based upon the assumed power of the U.S. Secretary

of the Interior to take land into trust for the tribe. On July 28, 2016, in the case of *Littlefield v. the U. S. Department of the Interior*, the U. S. District Court held that the Secretary of the Interior lacked the authority to take land into trust for the Mashpee Wampanoag tribe and remanded the matter back to the Secretary of the Interior for further proceedings consistent with the opinion as well as the declaratory judgment entered. The Mashpee Wampanoag filed a motion to intervene, which was granted. In December 2016, the Mashpee Wampanoag filed a notice of appeal to the U. S. Court of Appeals for the First Circuit. On September 7, 2018, the Department of the Interior issued a revised land-in-trust decision concluding that the Mashpee Wampanoag did not meet the statutory requirements to have land taken into trust. The Mashpee Wampanoag filed an appeal of the September 2018 decision in the U.S. District Court for the District of Columbia. On February 27, 2020, the U.S. Court of Appeals for the First Circuit issued a decision affirming the District Court decision that the Secretary lacked the authority to take land into trust for the benefit of the Tribe. On March 27, 2020, the Secretary issued a directive to the Director of the Bureau of Indian Affairs to rescind the decision accepting land into trust on behalf of the Tribe, to revoke the reservation proclamation, and to issue a clarification that such actions annul the previous determination that such lands are eligible for gaming under the Indian Gaming Regulatory Act. On June 5, 2020, the U.S. District Court for the District of Columbia issued a decision finding the Secretary of the Interior's September 2018 decision to be arbitrary, capricious and an abuse of discretion and remanded the matter to the Secretary to determine whether certain standards governing the determination of tribal and land status were properly applied.

Separately, in January 2019, Representative Keating introduced a bill in the U.S. House of Representatives (H.R. 312) titled the "Mashpee Wampanoag Tribe Reservation Reaffirmation Act." The bill would reaffirm the Tribe's trust land, ratify and confirm the Secretary's actions in taking the land into trust, preclude filing of further matters, and dismiss pending federal litigation concerning this matter. The bill passed in the U.S. House on May 15, 2019 (275-146). The bill was received in the U.S. Senate and placed on the Legislative Calendar on May 20, 2019. No further activity has been reported. The Gaming Commission will continue to monitor this matter.

COMMONWEALTH OF MASSACHUSETTS, ET AL V. THE WAMPANOAG TRIBE OF GAY HEAD (AQUINNAH), ET AL

The case originated in 2015 on a complaint by the Commonwealth, joined by a local Martha's Vineyard community organization and the Town of Aquinnah (collectively, the "Commonwealth Plaintiffs"), to block the Aquinnah Tribe's stated intention to open an electronic bingo facility on its reservation land. The Tribe had obtained approval from the National Indian Gaming Commission to do so pursuant to the federal Indian Gaming Regulatory Act (IGRA). (Under IGRA, a federally recognized Tribe may sponsor electronic bingo games — so called, "Class 2" gaming — on its lands without the approval of state authorities. For conventional casino gaming, for example in a resort with table games, state approval under IGRA is required through a formal compact process.)

The principal basis of the Commonwealth Plaintiffs' complaint was that the Aquinnah Tribe had surrendered whatever rights it otherwise would have had to conduct gaming on its tribal lands on account of the Tribe in 1987 having entered into an agreement to settle pending litigation involving the Tribe's claims to substantial portions of Martha's Vineyard. The Tribe alleged that these lands had been conveyed to non-tribal members over a period of many decades in violation of federal law restricting the transfer of Indian land to non-Indians. That settlement agreement was incorporated into a federal

statute, the Indian Claims Settlement Act of 1987 (the “1987 Federal Act”).

By Final Judgement dated August 19, 2019, the U.S. District Court for Massachusetts (Saylor, J.) ordered, adjudged, and decreed, in pertinent part, as follows:

(1)(a) the Tribe may construct, occupy, and operate a gaming facility on the Settlement Lands without complying with the Gaming Laws, and (b) the Tribe’s construction, occupancy, and operation of a gaming facility on the Settlement Lands shall otherwise be subject to the General Regulatory Laws;

(2) The Town of Aquinnah; Charles D. Baker, in his official capacity as Governor; Maura Healey, in her official capacity as Attorney General; and Cathy Judd-Stein, in her official capacity as Chair of the Massachusetts Gaming Commission, are permanently enjoined and restrained from enforcing the Gaming Laws against the Tribe on the Settlement Lands; and

(3) The Tribe is permanently enjoined and restrained from constructing, occupying, and operating a gaming facility on the Settlement Lands without complying with the General Regulatory Laws.

On September 14, 2020, the U.S. Court of Appeals for the First Circuit heard an appeal by the parties related primarily to finding number (3) above as to the applicability of the General Regulatory Laws. The matter was taken under advisement by the panel.