



*Legal Division*

# **Regulation Public Hearing**

**July 2, 2020 at 9:30 a.m.**

**Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> Floor  
Boston, MA**



Massachusetts Gaming Commission

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## **Notice of Public Hearing**

Notice is hereby provided that in accordance with G.L. c. 30A § 2, the Massachusetts Gaming Commission (“Commission”) will convene a public hearing for purposes of gathering comments, ideas, and information relative to proposed regulations in 205 CMR. The proposal was developed pursuant to G.L. c. 23K § 5, as part of the Commission’s regulation promulgation process, and concerns the following new regulation, as well as an amendment to an existing regulation:

**205 CMR 109.00: Authority of Commission to Act in Emergency Situation.** This new regulation, currently adopted by emergency, enables the Commission and the IEB to issue orders and/or establish procedures to be followed by the gaming licensees immediately, in the event of an emergency situation.

**205 CMR 138.68: Expiration of Gaming-related Obligations Owed to Patrons; Payment to the Gaming Revenue Fund.** This amended regulation, currently adopted by emergency, clarifies that the one-year period a casino patron has to claim winnings shall not include any period of time that a casino is not in operation.

**Scheduled hearing date and time: Thursday, July 2, 2020 at 9:30 a.m.**

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 will conduct this hearing utilizing remote collaboration technology.

**CONFERENCE CALL NUMBER: 1-646-741-5292**

**PARTICIPANT CODE: 111 655 5890**

A complete copy of the draft regulation referenced above may be downloaded by visiting [www.massgaming.com](http://www.massgaming.com), clicking on ‘Regulations and Compliance’ and selecting the ‘[Proposed Rulemaking](#)’ section. Anybody wishing to offer comments on this regulation can email [shara.n.bedard@state.ma.us](mailto:shara.n.bedard@state.ma.us) and request the virtual hearing link to appear and speak. Alternatively, written comments may also be submitted to that same email address with ‘Emergency Regulation Comment’ in the subject line. Comments must be received by **4:00 p.m. on Thursday, June 25, 2020.**



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 109.00: AUTHORITY OF THE COMMISSION TO ACT IN AN EMERGENCY  
SITUATION

109.01: Authority of the Commission to Act in an Emergency Situation

1. Consistent with the principles outlined in G.L. c. 23K, § 1 and in furtherance of the Commission's broad superintendence powers established in G.L. c. 23K, § 1 and G.L. c. 23K, § 4, in an emergency situation the Commission and/or the Bureau may, in furtherance of the provisions of G.L. c. 23K §§ 23(b) and 35, in its discretion, take any action it deems necessary to preserve the health and safety of its employees, the gaming licensees and their employees, and/or patrons of the gaming establishments. An emergency situation may include, but not be limited to:

- a. A state of emergency declared by the Governor of the Commonwealth pursuant to St 1950 c. 639, § 5;
- b. A national emergency declared by the President of the United States pursuant to 50 U.S.C. 1601 *et seq.*;
- c. A local, national, or global public health emergency as declared by the Massachusetts Department of Public Health, the Federal Centers for Disease Control and Prevention, the World Health Organization, or a similarly situated local or national agency or organization having expertise in public health;
- d. A natural disaster; or
- e. Any situation that presents an immediate threat of serious physical harm to the health or wellbeing of the public that requires action without delay.

2. During such emergency situation:

- a. The Bureau may issue an order to cease and desist activity pursuant to G.L. c. 23K, § 35(a) or § 35(e) or an order of suspension of the gaming license pursuant to G.L. c. 23K, § 35(e), and may make recommendations to the Commission to issue orders to condition, suspend, or revoke a gaming license pursuant to G.L. c. 23K, § 35(d); and/or
- b. The Commission may issue orders and/or establish procedures to be followed by the gaming licensees as a condition of licensure pursuant to G.L. c. 23K, §§ 21(a)(19) and (c) and as a requirement of its operations certificate pursuant to G.L. c. 23K, § 25 that may include but not be limited to orders regarding operations relative to gaming and non-gaming activity at the gaming establishment. The Commission may also issue orders that include but are not limited to cessation of gaming or non-gaming activities or closure of the gaming establishments in whole or in part.



### 3. Hearings.

a. If the Bureau takes action pursuant to 109.01(1) and (2) and G.L. c. 23K, § 35, it may take such action immediately and, in the event of a closure of the gaming establishment, shall coordinate with the licensee to execute a safe and orderly closure. If the Bureau issues an order to cease and desist activity pursuant to G.L. c. 23K, § 35(a) or § 35(e) or an order of suspension of the gaming license pursuant to G.L. c. 23K, § 35(e), the licensee shall have the right to an adjudicatory hearing before the Commission on such order in accordance with G.L. c. 30A and G.L. c. 23K, § 35(f). Such hearing shall be convened as soon as practicable but in no case later than seven days from the date of the Bureau's action in accordance with G.L. c. 23K, § 35(f).

b. If the Commission intends to take action pursuant to 109.01(1) and (2) and G.L. c. 23K, § 23(b)(v) that will limit or cease gaming or non-gaming operations or result in closure of the gaming establishment in whole or in part, it shall provide reasonable notice of hearing in accordance with G.L. c. 30A. In the event of an emergency situation, notice shall be deemed reasonable if it is provided as promptly as the emergency allows.

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 138.00: UNIFORM STANDARDS OF ACCOUNTING PROCEDURES  
AND INTERNAL CONTROLS

138.68: Expiration of Gaming-related Obligations Owed to Patrons; Payment to the Gaming Revenue Fund

(1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the expiration of gaming-related obligations, and unclaimed cash and prizes that provide, at a minimum, that:

(a) Any money that is owed to a patron by a gaming licensee as a result of a gaming transaction must be claimed within one year of the date of the gaming transaction or the obligation of the gaming licensee to pay the patron will expire. Upon expiration of the obligation, the involved funds must be transferred to the Gaming Revenue Fund in accordance with M.G.L. c. 23K, §§ 53 and 59. *In calculating the one year period referenced herein and in M.G.L. c. 23K, § 53, any period of time for which the gaming establishment was not in operation shall be excluded;*

(b) Any unsecured funds that did not register on a slot machine's coin-in meter, as described in 205 CMR 138.33(7), must be claimed by the owner within one year of the date the funds are located or the obligation of the gaming licensee to pay the patron will expire. Provided, verification procedures designed to prevent fraudulent claims shall be included in the provision. Upon expiration of the obligation, the cash or equivalent cash value of the subject funds shall be transferred to the Gaming Revenue Fund in accordance with M.G.L. c. 23K, §§ 53 and 59. *In calculating the one year period referenced herein and in M.G.L. c. 23K, § 53, any period of time for which the gaming establishment was not in operation shall be excluded;* and

(c) A gaming licensee shall maintain a record of all unclaimed cash and prizes and gaming-related obligations that have expired.

(2) Before the end of each calendar month the gaming licensee shall report the total value of gaming debts owed to its patrons that expired during the preceding calendar month in a format prescribed by the commission.

(3) Each gaming licensee shall submit a check with its monthly report payable to the Gaming Revenue Fund in accordance with M.G.L. c. 23K, § 59 in the amount of the gaming debts owed to its patrons that expired during the preceding month as stated in the report.

(4) Upon the payment of the expired debt, the gaming licensee shall post the payment and remove the amount from its records as an outstanding debt.

(5) Failure to make the payment to the Gaming Revenue Fund by the due date shall result in the imposition of penalties and interest as prescribed by 205 CMR.

(6) Nothing in 205 CMR 138.68 shall preclude the gaming licensee from, in its discretion, issuing cash or other form of complimentary to a patron to compensate the patron for a gaming debt that has expired.