



---

## Massachusetts Gaming Commission Meeting Minutes

---

**Date/Time:** January 9, 2020 –10:00 a.m.

**Place:** Massachusetts Gaming Commission  
101 Federal Street, 12th Floor  
Boston, MA 02110

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

Hyperlinks to the transcript as well as closed-captioned video footage of specific discussions are provided throughout this document.



### Call to Order

See [transcript](#) page 1

10:02 a.m. Chair Cathy Judd-Stein called to order public meeting #285 of the Massachusetts Gaming Commission.

### Approval of Minutes

See transcript page 1 – 2

10:02 a.m. *Commissioner Stebbins moved to approve the minutes from the Commission meeting of December 19, 2019, subject to correction for typographical errors and other nonmaterial matters. Commissioner Zuniga seconded the motion. Commissioners Cameron and O'Brien requested that the discussion on the Investigations and Enforcement Bureau (IEB)'s handling of sealed and expunged records be explained in more granular detail in the meeting minutes. The Commission will vote on these minutes at the next meeting, pending specific edits.*

## **Administrative Update**

See [transcript](#) pages 2 – 10

[10:04 a.m.](#)

### **General Update**

Executive Director Ed Bedrosian raised his concern around having the Commission meeting scheduled for February 27<sup>th</sup> in Springfield, due to the potential for adverse weather conditions. The Commission determined that they will decide on this at a later date.

Mr. Bedrosian commented on his last day (today) at the Commission. He recognized former Commissioners McHugh and MacDonald for their support, as well as former Chair Steve Crosby. Mr. Bedrosian also recognized Lead Executive Assistant Maryann Dooley, his assistant of four years. He expressed his gratitude to all that helped him through his tenure at the Commission. He then thanked all of the staff throughout the Commission and wished everyone the best of luck in their future endeavors.

[10:15 a.m.](#)

### **Draft Region C Request for Information (RFI) and draft Request for Public Comment**

The Commission is seeking public comment regarding the next steps for Region C (Southeastern Massachusetts) and the Category 1 gaming license. The Commission is also requesting information in the form of an RFI for responses through [COMMBUYS](#). The Commission reviewed and discussed the questions in the drafts of each document.

Per Commissioner O'Brien's stated concern, the Commission agreed to omit a question in the draft request for public comment regarding Section 91 and the Commission's authority, as it was found not to be appropriate for public comment in this venue. Also, Commissioner Stebbins recommended keeping the public comment period open with no expiration date.

Commissioner Zuniga opined that there is a definite possibility that the RFI will result in a market study, but it is not a foregone conclusion. He summarized the potential business case that could present itself for the Commission's analysis. He commented that he would like to gain more insight through the RFI around what the Commission is currently observing, whether it concerns additional local expansion, consumer preferences, online gaming, or gambling options that are local or available in the marketplace.

[10:27 a.m.](#)

Next, the Chair suggested strengthening the background in the RFI, so the reason for it is very clear, and include a description of the current licensees. She asked that relevant statutory provisions be included into the background for the RFI (she referenced a memo re: "Potential Region C Questions for either an RFI and/or Public Comment" dated December 16, 2019 [[page 42 in Commissioners' Packet](#)] from the December 19<sup>th</sup> Commission meeting), as well as some of the suggestions from Commissioner Zuniga on the investment context. Lastly, the Chair requested

that there be additional history added, as it would be helpful to set the stage for the reader.

CFO Derek Lennon explained the different options of the RFI process concerning having a question and answer period. The Commission agreed to issue the RFI without a Q & A, as this RFI is solely an information-gathering period.

The Chair also noted that clarification is needed around several questions in the RFI, and would like to authorize the staff to conduct another review. She suggested that staff re-circulate prior public comments that were made on this to see if there is anything the commissioners would want to re-issue in the current request for public comment.

The next edited draft will be brought to the Commission for review at the next Commission meeting. No vote is needed on this item today.

### **Legal Division**

See [transcript](#) pages 10 – 21

#### **10:39 a.m. Initial Draft Version of 205 CMR 134.09: Investigation, Determination, and Appeals for Gaming Establishment Employees and Vendors – and Small Business Impact Statement**

Chief Enforcement Counsel Loretta Lillios reviewed the initial draft version of suggested amendments with the Commission that were discussed at the previous Commission meeting on December 19, 2019. The amendments are being made to clarify provisions regarding handling information and records relating to sealed and expunged records.

Ms. Lillios clarified for the Commission that the draft language is intended to cover information connected to, or gleaned from sealed and expunged records, and this draft language directs the IEB not to consider any information. She further noted that the statutes on sealed records already bar the Commission from considering the sealed records themselves.

**10:46 a.m.** Commissioner O'Brien then clarified the language to be added to the regulation, "Sealed or expunged records of criminal or delinquency appearances, dispositions, and/or any information concerning such acts shall not be considered for purposes of making a suitability determination in accordance with 205 CMR 134 and MGL 23K." The Commission concurred.

**10:47 a.m.** *Commissioner Stebbins moved that the Commission approve the Small Business Impact Statement for the amendments to 205 CMR 134.09 as included in the Commissioners' packet. Commissioner Cameron seconded the motion. The motion passed unanimously.*

*Commissioner Stebbins further moved that the Commission approve the version of the amendments to 205 CMR 134.09 as included in the Commissioner's packet and authorized the staff to take all steps necessary to begin the regulation promulgation process, as amended with edits discussed today. Commissioner Cameron seconded the motion. The motion passed unanimously.*

[10:50 a.m.](#)

**Final Draft Version of Amendments to 205 CMR 3.00: Harness Horse Racing (Refs & Annos);**

**Final Draft Version of Amendments to 205 CMR 4.00: Rules of Horse Racing (Refs & Annos); and**

**Amended Small Business Impact Statements**

The Commission reviewed the final draft version of the amendments that include provisions for addressing conflicts of interest of racing officials, the finality of decisions of racing judges for events occurring during races, and optional quarantine procedures in TCO2 positive cases. They also reviewed the amendments that include provisions for addressing conflicts of interest of stewards.

As a hearing was held previously to this meeting on this regulation with Commissioner Stebbins presiding, he described the public comments and concerns that were provided by stakeholders from the Harness Racing Association of New England and membership that were addressed at the hearing. He asked that Associate General Counsel Justin Stempeck provide detail for the Commission.

[10:52 a.m.](#)

Mr. Stempeck reported that there was a misunderstanding at the regulation hearing concerning the amendment to 205 CMR 101.02 concerning Racing appeals. He clarified for the Commission, as he did in the hearing, that the amendments did not change the length of time allowed to appeal a racing judge's decision, which is ten days. It was not reduced to seven days.

[10:56 a.m.](#)

Commissioner Zuniga noted the difference in the regulation for Standardbred and Thoroughbred hearing process historically. There was discussion around the current hearing process for racing appeals, to include improved technological capabilities, as well as the general process of consideration amongst the racing officials.

[11:01 a.m.](#)

Commissioner Cameron made note that all of the racing judges have been through a rigorous accreditation process, where their skill has been tested in this area. She stated that she believes the judges' experience, as well as their process for making a decision, is sound.

[11:03 a.m.](#)

Mr. Stempeck provided clarification around another issue that arose in the earlier regulation hearing concerning the definition of immediate family, significant

relationships, and life partners (in the context of conflict of interest for racing officials).

11:06 a.m. The Commission agreed to edit the draft regulation 205 CMR 3.18 and 4.30: Racing Officials to reference the Commission's [Enhanced Code of Ethics](#) when defining "immediate family."

11:12 a.m. *Commissioner Stebbins moved that the Commission approve the Amended Small Business Impact Statement for the amendments to 205 CMR 3.00; specifically, section 3.18 as amended, and sections 3.01, 3.03, 3.12, 3.29 and 3.35 as included in the Commissioners' Packet. Commissioner O'Brien seconded the motion. The motion passed unanimously.*

*Commissioner Stebbins further moved that the Commission approve the final version of the amendments to 205 CMR 3.00; specifically, section 3.18 as amended, and sections 3.01, 3.03, 3.12, 3.29 and 3.35 as included in the Commissioner's packet and authorized the staff to take all steps necessary to finalize the regulation promulgation process. Commissioner Cameron seconded the motion. The motion passed unanimously.*

11:14 a.m. *Commissioner Stebbins moved that the Commission approve the Amended Small Business Impact Statement for the amendments to 205 CMR 4.00; specifically, section 4.30 as amended, and sections 4.01 and 4.03 as included in the Commissioners' packet. Commissioner Cameron seconded the motion. The motion passed unanimously.*

*Commissioner Stebbins further moved that the Commission approve the final version of the amendments to 205 CMR 4.00; specifically, section 4.30 as amended, and sections 4.01 and 4.03 as included in the Commissioners' packet and authorized the staff to take all steps necessary to finalize the regulation promulgation process. Commissioner Zuniga seconded the motion. The motion passed unanimously.*

11:15 a.m. **Final Draft Version of an amendment to 205 CMR 101.02: Review of Orders of Civil Administrative Penalties/Forfeitures Issued by the Bureau, Commission Staff, or the Racing Division – and Amended Small Business Impact Statement**

The Commission reviewed the amendments that include proper timing of racing appeals and a new provision for Discovery in racing medication cases.

11:15 a.m. *Commissioner Zuniga moved that the Commission approve the Amended Small Business Impact Statement for the amendments to 205 CMR 101.02 as included in the Commissioners' packet. Commissioner Stebbins seconded the motion. The motion passed unanimously.*

*Commissioner Zuniga further moved that the Commission approve the final version of the amendments to 205 CMR 101.02 as included in the Commissioner's packet and authorized the staff to take all steps necessary to finalize the regulation promulgation process. Commissioner O'Brien seconded the motion. The motion passed unanimously.*

## **Ombudsman**

See [transcript](#) pages 21 – 30

### **11:16 a.m. Encore Boston Harbor Quarterly Report Follow-Up**

Ombudsman John Ziemba addressed the Commission, stating that they will be reviewing a follow-up to Encore Boston Harbor's quarterly report for the third quarter of 2019, and a status report on the documentation of several 90-day commitments that remained outstanding when the Commission issued the operations certificate for Encore Boston Harbor.

**11:18 a.m.** Encore Boston Harbor Senior Vice President and General Counsel Jacqui Krum presented slides to the Commission that captured information that was not yet available for the initial quarterly report. Presenting with her was Eric Kraus, Senior Vice President of Communications and Public Affairs and Richard Prior, Executive Director of Security and Investigations at Encore Boston Harbor.

Ms. Krum first presented a slide that illustrated figures requested by the Commission concerning minors being intercepted on the gaming floor. Ms. Krum stated that security personnel prevented more than 2,500 minors from entering the gaming floor during that quarter.

**11:19 a.m.** Mr. Prior stated that the new hard-wired Veridocs ID readers will drastically improve the detection of false IDs. Encore is expecting podiums to arrive soon to complete the set-up and become operational. He described where the podiums would be stationed and how the system will work. He then confirmed for the Chair that customers will not be able to enter onto the gaming floor without passing through this device, showing that they are not minors.

**11:24 a.m.** There was a discussion around minors that did gain access to the gaming floor that quarter, the circumstances surrounding those instances, and steps that were taken to prevent further occurrences.

**11:26 a.m.** Next, Ms. Krum reviewed Encore's spending with Massachusetts businesses registered as owned by women, minorities, and veterans with the Commission. The Chair asked Mr. Ziemba if there will be a breakdown indicating where the remaining percentages are spent outside of these parameters, as part of the new template he is working on. He stated that he is currently working with Workforce, Supplier and Diversity Development Director Jill Griffin, as well as the licensees, to create a uniform reporting template for all of the casinos.

[11:31 a.m.](#) Ms. Krum then moved on to provide a breakdown for the number of women, minorities, and veterans that are currently employed at Encore Boston Harbor. She also noted that Encore has formed employee councils this quarter, comprised of women and LGBTQ+ employees to advise leadership in these areas and further the interests in these groups.

[11:34 a.m.](#) Mr. Kraus reported on Encore's intention to install and operate automated beverage dispensers in the back-of-house, after approval from the Commission. Managers informed back-of-house staff last Friday of Encore's intentions, and some employees contacted the media. Mr. Kraus stated that there have been no employee layoffs associated with these machines. He stated that any displaced employees will be compensated with other employment within the company if they are qualified.

[11:40 a.m.](#) The Chair recommended that moving forward, Encore notify the Commission in advance of this kind of a potential change. Mr. Kraus stated that Encore will post when they get more clarity on exactly how many jobs could be lost because of this.

Ms. Krum closed her presentation by thanking Mr. Bedrosian on behalf of Encore Boston Harbor, stating that he has been a calming and thoughtful force and a passionate advocate for the Commission as well as for the licensees.

[11:42 a.m.](#) **Encore Boston Harbor 90-Day Commitments**  
Construction Project Oversight Manager Joe Delaney provided the Commission with an update on Encore's 90-day commitment items that are outstanding since the June 27, 2019 Commission meeting.

Mr. Delaney broke the remaining items into three categories (Environmental Impact Report compliance items, greenhouse gas self-certification, and the DCR Connector) and summarized all the items for the Commission.

## **Workforce, Supplier & Diversity Development**

See [transcript](#) pages 30 – 34

### [11:51 p.m.](#) **2018 Economic Impact Report**

Ms. Griffin reported on the results from the 2018 Economic Impact Report. She stated that the report captures the annual impact of this new industry on career and business opportunities, specifically for residents of the Commonwealth with a focus on diverse populations.

Ms. Griffin provided the Commission with highlights from 2018 regarding jobs that went to Massachusetts residents in the construction and casino industry, as well as construction and operating spend numbers for Massachusetts businesses. She also compared the 2018 numbers with 2017, noting improvements.

[12:00 p.m.](#) Commissioner Stebbins suggested that moving forward, Ms. Griffin could demonstrate in these how successful the licensees are, not only with their substantial financial numbers but with their reference to meet their established goals having been met with success. He also suggested including a construction piece regarding licensees' reinvestment in their facilities over time.

### **Commissioner Items and Updates**

See [transcript](#) pages 34 – 46

#### **[12:41 p.m.](#) Ratification of Interim Executive Director Designation**

The Commission formally ratified the appointment of IEB Director Karen Wells as the interim executive director. Ms. Wells has held this role in the past. The Commissioners discussed expectations around Ms. Wells' existing position in addition to the role of interim executive director.

The Chair noted that the Commission will address ratification today, and over the next two weeks, Mr. Lennon will work with Commissioner Zuniga to continue researching how other agencies compensate similar positions, for guidance. The matter of Ms. Wells' compensation will then be addressed at the next Commission meeting for a vote.

[12:46 p.m.](#) *Commissioner Cameron moved that the Commission designate Karen Wells, Director of the Investigations And Enforcement Bureau, as the Interim Executive Director until the Commission selects a permanent Executive Director. Commissioner Stebbins seconded the motion. The motion passed unanimously.*

#### **[12:47 p.m.](#) Update on Executive Director Search**

The Chair updated the Commission on the status of the search for a new Executive Director, consistent with the requirements of the Open Meeting Law.

[12:50 p.m.](#) Commissioner Zuniga discussed the issue of whether to conduct the search internally or retain an executive search. He also described the issue of crafting a job description and candidate profile that comprehensively and accurately reflects the needs of the Commission at this juncture. Lastly, he addressed the interview and decision-making process being in full compliance with the Open Meeting Law.

[12:56 p.m.](#) The Chair recommends that Commissioner Zuniga be part of a Procurement Management Team with other internal members to develop the RFP, which would then be voted on by the Commission. She then detailed the potential steps for this process.

There was discussion around the choice of hiring an outside search firm versus using a completely internal team to recruit candidates and conduct the search for a new executive director.



[1:21 p.m.](#) Chair stated that the Commission will postpone this decision to obtain further information and clarification and to think about the next steps for this process.

[1:22 p.m.](#) **Update on IAGRA Conference**  
Commissioner Cameron updated the Commission on the status of the IAGRA Conference, stating that it will be the week of September 20 – 25 at the Boston Marriott Copley Place. This year, it will be a joint conference to include the International Masters of Gaming Law as well. The name of the conference is “Disrupting the Regulator.”

Commissioner Cameron stated that there is a call for speakers currently. She would like people from Massachusetts to contribute that have worked with the Commission. She listed topics of interest that will be listed on the [IAGR website](#). Submissions are due by the end of February.

### **Other Business**

See [transcript](#) pages 46 – 49

[1:32 p.m.](#) Each of the Commissioners made comments, shared their experiences working with Mr. Bedrosian, and thanked him for his service during his tenure at the Commission.

[1:44 p.m.](#) The Chair and Commissioners presented Mr. Bedrosian with the Distinguished Service Award in grateful appreciation of his distinguished service to the Massachusetts Gaming Commission and the Commonwealth of Massachusetts.

[1:47 p.m.](#) *With no further business, Commissioner Zuniga moved to adjourn the meeting. Commissioner Cameron seconded the motion. The motion passed unanimously.*

### **List of Documents and Other Items Used**

1. Notice of Meeting and Agenda dated January 9, 2020
2. Draft Commission Meeting Minutes dated December 19, 2019
3. Draft Region C Request for Public Comment
4. Draft Region C RFI
5. Additional Draft Questions for Region C RFI
6. Regulation Cover Sheet for 205 CMR 134.09
7. Draft of 205 CMR 134.09
8. Small Business Impact Statement for 205 CMR 134.09
9. Regulation Cover Sheet for 205 CMR 3.01
10. Final Draft of 205 CMR 3.01
11. Regulation Cover Sheet for 205 CMR 3.03
12. Final Draft of 205 CMR 3.03

13. Regulation Cover Sheet for 205 CMR 3.12
14. Final Draft of 205 CMR 3.12
15. Regulation Cover Sheet for 205 CMR 3.18
16. Final Draft of 205 CMR 3.18
17. Regulation Cover Sheet for 205 CMR 3.29
18. Final Draft of 205 CMR 3.29
19. Regulation Cover Sheet for 205 CMR 3.35
20. Final Draft of 205 CMR 3.35
21. Amended Small Business Impact Statement for Amendments to 205 CMR 3.00
22. Regulation Cover Sheet for 205 CMR 4.01
23. Final Draft of 205 CMR 4.01
24. Regulation Cover Sheet for 205 CMR 4.03
25. Final Draft of 205 CMR 4.03
26. Regulation Cover Sheet for 205 CMR 4.30
27. Final Draft of 205 CMR 4.30
28. Amended Small Business Impact Statement for Amendments to 205 CMR 4.00
29. Regulation Cover Sheet for 205 CMR 101.02
30. Final Draft of 205 CMR 101.02
31. Amended Small Business Impact Statement for Amendment to 205 CMR 101.02
32. Encore Boston Harbor Quarterly Report Update dated January 9, 2020
33. Memo re: Encore Boston Harbor Section 61 and Operations Certificate Conditions Status dated January 6, 2020
34. Memo re: Casino Industry Impact Report 2018 dated January 8, 2020
35. MGC Casino Industry Impact Report 2017
36. MGC Casino Industry Impact Report 2018

/s/ Bruce Stebbins  
Secretary