



Massachusetts Gaming Commission Meeting Minutes

Date/Time: December 3, 2020 – 10:00 a.m.

Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
MEETING ID: 111 141 8666

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

Chair Cathy Judd-Stein called to order public meeting #329 of the Massachusetts Gaming Commission (Commission).

The Chair confirmed a quorum for the meeting with a Roll Call. The following Commissioners were present:

*Commissioner Cameron
Commissioner O'Brien
Commissioner Zuniga
Commissioner Stebbins
Chair Judd-Stein*

Approval of Meeting Minutes (1:07)

Commissioner Stebbins moved to approve the minutes from the Commission meeting of August 28, 2020, subject to correction for typographical errors and other nonmaterial matters. 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 moved to approve the minutes from the Commission meeting of September 3, 2020, subject to correction for typographical errors and other nonmaterial matters. 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 moved to approve the minutes from the Commission meeting of November 9, 2020, subject to correction for typographical errors and other nonmaterial matters. 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.

Administrative Update (3:25)

Staffing Update

Executive Director Karen Wells introduced Nakisha Skinner as the new Licensing Division Chief for the Commission. She noted Ms. Skinner's credentials, and the Commission welcomed her to the agency.

Ms. Skinner stated that she is excited to be on board with the Commission and is looking forward to working with the team and the casinos. She thanked everyone for the warm welcome. Ms. Wells also offered thanks to CFAO Derek Lennon for his temporary oversight and management of the Licensing Division.

On-Site Casino Updates

Interim IEB Director Loretta Lillios and Assistant IEB Director and Gaming Agents Division Chief Bruce Band updated the Commission on current casino operations.

Ms. Lillios stated that casino operations continued to go well over Thanksgiving weekend. She described the closing process for the casinos to comply with the Governor's 9:30 p.m. closing order, noted that hotels remain closed, and indicated that three restaurants at Encore are offering beer and wine to go. She reported on the communications plan for the casinos to inform the public about what to expect when on-premises.

Ms. Lillios noted that MGM has been opening two hours earlier beginning at 8 a.m. She did note that MGM had its closing time posted as 10:00 p.m. on Facebook and Instagram in error; however, that has been updated to 9:30 p.m. However, MGM has been closing at 9:30 p.m. regardless of the posting error.

Mr. Band stated that things have been going very smoothly. He did clarify for Commissioner Zuniga that any issues with entrance and exit procedures have been resolved.

Racing Update

Executive Director Wells thanked everyone for a successful season. Director of Racing Dr. Alexandra Lightbown thanked the staff, horsemen, and horsewomen at Plainridge Park Casino (PPC) for the safe and sustainable reopening of the racetrack. She provided an update of the recent meet and no catastrophic accidents with the horses and a few human injury incidents that occurred. She also reported on the successful \$1.3 million Sire Stakes program, as well as other programs that have also yielded successful payouts. There will be a carryover in purse money into next year. This happened last year, which created the opportunity to offer sizeable purses.

Dr. Lightbown noted several state records were broken this year, despite the pandemic. The Chair noted the success of PPC's drive-in betting program to continue operation during the pandemic.

Monday, April 12, 2020, will begin the 110-day racing season that will conclude after Thanksgiving 2021. Dr. Lightbown discussed the potential protocols for that time and hoped they could open without restrictions.

Community Affairs Division

MGM Quarterly Report (28:58)

With Division Chief Delaney out, Executive Director Wells introduced the MGM Quarterly Report. MGM Vice President and General Counsel Seth Stratton; MGM Director of Compliance, Daniel Miller, MGM Director of Human Resources Jason Randall; and MGM Director of Finance Arlen Carballo presented MGM's Q3 report to the Commission.

MGM staff presented a PowerPoint presentation, a copy of which is in the Commissioners' packet, to the Commission that illustrated each category of the MGM Q3 Report.

Director Miller reviewed the compliance slides. Concerning the Compliance category, Commissioner Cameron remarked that adverse incident numbers have reduced significantly. She also commended MGM for their success here.

Next, Ms. Carballo reported on MGM's Operating Spend category. She stated that the casino has a new Veteran Business Enterprise (VBE) vendor, which accounts for growth in that category.

Ms. Carballo then corrected the Commonwealth spend, which is closer to 8% and is \$10M instead of \$12.5M.

Mr. Randall reported on Employment Numbers for MGM concerning minorities, veterans, women, Springfield residents, Western Massachusetts residents, Commonwealth residents. Mr. Randall pointed to a drop in the number of women employees. The Chair asked whether women were challenged because of the need to be at home for childcare during this pandemic. He replied in the affirmative.

Commissioner Stebbins asked about ongoing communications with furloughed employees. Mr. Randall stated that management has been maintaining communication with employees who have been furloughed and laid off, and that there are a substantial number of employees who are moving on to employment elsewhere.

Mr. Stratton reported on the Community Engagement category, citing philanthropic goals and boosting employee morale. He summarized activities carried out by staff in the third quarter, such as water donation at cooling centers, books for Springfield Public Schools, and a backpack giveaway.

Next, Mr. Stratton updated the Commission on development projects. He stated that the City of Springfield is completing renovation and remediation of the 31 Elm Street project. He added that Wahlburgers is on track for an opening in the spring of 2021, and this will be mutually beneficial for them and the property. He also reported on the progress of the Armory's activation, stating that there will be no events until COVID-19 restrictions are lifted.

The Chair noted that July, August, and September are covered here so that the next report will illustrate the impact of the updated COVID-19 restrictions on MGM.

[Plainridge Park Casino \(PPC\) Quarterly Report \(55:28\)](#)

PPC General Manager North Grounsell; PPC Vice President of Marketing, Michele Collins, PPC Vice President of Finance, Dana Fortney; PPC Vice President of Operations, Mike Muller; PPC Vice President of Human Resources, Kathy Lucas presented PPC's Q3 Quarterly Report to the Commissioners.

PPC staff presented a PowerPoint presentation, a copy of which is in the Commissioners' packet, to the Commission that illustrated each category of the MGM Q3 Report. Mr. Grounsell provided a high-level overview of PPC's Q3 report.

Ms. Fortney led the slide presentation, reporting on the categories of gaming revenue taxes, lottery sales, spend-by-state, local spend, vendor diversity (met or exceeded all goals for this quarter), diverse spend. She noted new Women Business Enterprises (WBE) have created an uptick in those numbers.

The Chair noted a decline of 53% in Minority Business Enterprises (MBE) spending in Q3, and Ms. Fortney explained that this number is just a change in what PPC's needs at this time.

Ms. Lucas reported on Compliance incidents and employment goals concerning veterans, women, and minorities. Commissioner Stebbins noted the employment differences between this quarter and the previous year. Commissioner Cameron thanked PPC for their efforts on compliance.

Next, Mr. Lucas reported on PPC employment numbers for the supervisor level and above. This concluded PPC's presentation.

Community Mitigation Reserve Grant and Workforce Modification (1:11:55)

Program Manager Mary Thurlow; Director of Workforce, Supplier and Diversity Development, Jill Griffin; and Program Manager Crystal Howard presented the following items:

Melrose Reserve Grant

Ms. Thurlow described the application from the City of Melrose requesting the use of its Reserve Grant balance. She stated that reserve applicants must come before the Commission with their proposed project once it has been determined. She stated that this grant relates to recommendations that arose out of the Washington/Pleasant/West Wyoming Corridor Study, which is in close proximity to the Oak Grove MBTA station.

She recommended that the Commission approve Melrose's request to use its reserve balance for the purposes outlined in its application. She noted that Commission staff will execute a grant agreement with the City of Melrose following the Commission's approval.

The Commissioners all concurred that this is an appropriate use of the funds. The Chair stated that this could be used as an example in their workshops.

Commissioner O'Brien moved that the Commission approve the City of Melrose's request to use the balance of its Reserve for the purposes outlined in its application and execute a grant agreement with the City of Melrose, as included in the Commissioners' Packet and as discussed at the meeting. Commissioner Stebbins seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Proposal to Reconsider Approving Funding for BEST Hospitality via Mass Hire Metro North

Ms. Griffin presented Mass Hire Metro North's request that the Commission reconsider a portion of the initial decision on this grant on June 25, 2020, to fund English Language Training (ELT) programming run by BEST Hospitality Training (BEST) in the amount of \$60,000. The (unfunded) BEST line item in the applicant's proposal included both occupational hospitality training and English language training classes.

Ms. Howard further described the consideration for funding of the language classes for a \$350,000.00 award total. The Commissioners all concurred that this is an important item to approve.

Commissioner Stebbins moved that the Commission approve Mass Hire Metro North's request to receive funding toward BEST's English Language Training program in the amount of \$60,000.00, as described in the Commissioners' Packet as discussed at the meeting. Commissioner Cameron seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Legal Division and Investigations and Enforcement Bureau (IEB)

[205 CMR 134.01: Key Gaming Employee Licensees and 205 CMR 134.02: Gaming Employee Licensees \(1:24:40\)](#)

Associate General Counsel Carrie Torrisi presented the proposed regulation amendments to the two separate sections of the regulations and recommended that they be adopted by emergency. She described the amendments including how they will allow a gaming licensee to bring in staff from a sister property in an emergency situation to work as key gaming employees and gaming employees, respectively, without requiring Massachusetts licensure.

Commissioner Cameron moved that the Commission approve the Small Business Impact Statement for 205 CMR 134.01: Key Gaming Employees, as included in the Commissioners' Packet. Commissioner Stebbins seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner Cameron further moved that the Commission adopt the amendments to 205 CMR 134.01: Key Gaming Employees on an emergency basis as included in the Commissioners' Packet and authorized the staff to take all steps necessary to begin the regulation promulgation process. Commissioner Stebbins seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner Cameron moved that the Commission approve the Small Business Impact Statement for 205 CMR 134.02: Gaming Employee Licensees, as included in the Commissioners' Packet. Commissioner O'Brien seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner Cameron further moved that the Commission adopt the amendments to 205 CMR 134.02: Gaming Employee Licensees on an emergency basis as included in the Commissioners' Packet and authorized the staff to take all

steps necessary to begin the regulation promulgation process. Commissioner O'Brien seconded the motion.

Roll Call Vote:

Commissioner Cameron: Aye.

Commissioner O'Brien: Aye.

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously.

Commissioner O'Brien left the meeting.

Legal Division

Legislative Filings Update (1:33:34)

Todd Grossman, General Counsel, Jill Griffin, Director of Workforce, Supplier and Diversity Development; Crystal Howard, Program Coordinator, Workforce, Supplier and Diversity Development presented a comprehensive overview of a number of legislative initiatives to the Commission.

Mr. Grossman reviewed a chart with the Commission of the legislation in progress. The first item pertains to HB 301 which relates to charitable gaming and the oversight of bazaars. He noted that the Commission is empowered to regulate and enforce bazaars. Mr. Grossman confirmed that this bill is not a live bill at this time. The Chair stated that it is worth revisiting this bill, and Commissioner O'Brien concurred. She would like to review and see if it needs to be resubmitted. Commissioners Zuniga, Stebbins, and Cameron also agreed.

Next, Mr. Grossman reviewed H.B. 13 related to parimutuel and simulcast wagering. He described the most recent activity to this bill and noted that the Commission has expressed its support for this proposal. Commissioner Zuniga remarked that the legislature has chosen to address this one year at a time. But given the industry's state, stakeholders have expressed the need for greater certainty. He opined that it might be worthwhile to revisit, as much thought went into it. Commissioner Cameron suggested that Commissioner O'Brien and the Chair need the opportunity to review this in more detail.

Mr. Grossman then clarified the difference between H.B. 13 and H.B. 9 for the Chair. He noted a different version proposed by Senator Boncore, based on the model that the Commission proposed. The Chair is in favor of re-examining the details of the bill and the original filing.

Commissioner O'Brien stepped away from the meeting.

Commissioner Stebbins would like to begin outreach after January 1, 2021, to hopefully refile the bill this year. Mr. Grossman will confirm the filing deadline for the Commission.

Next, Mr. Grossman reviewed the status of the bill designed to address the application of the Conflict of Interest Law to certain subcommittee members. Several municipal officials have been selected to serve on these committees. The State Ethics Commission worked with Commission staff to construct proposed language to the law that would allow members to participate without conflict. The latest version of this legislation is H.R. 14.

The Chair requested that the Commission continue a recurring cadence for the review of legislative initiatives, and any other matters of interest to the Commission. The Chair asked the commissioners to coordinate with her and Ms. Griffin and designated Ms. Griffin as the point person for the outreach to external stakeholders.

Commissioner O'Brien rejoined the meeting.

Finance Division

First Quarter Budget Update (2:10:40)

Chief Financial Accounting Officer Derek Lennon and Revenue Manager Doug O'Donnell presented the FY21 budget approved by the Commission. Mr. Lennon then reviewed the projected expenses and first quarter review without any necessary changes by the Commission.

Mr. Lennon noted that licensing fees might not meet projections for the first time, namely employee licensing, as a result of business closures. The Commission may need to make expenditure reductions in other areas in the future. Mr. O'Donnell reported on the billing for all casinos and the independent monitor. He stated that they have all been excellent with timely monthly payments throughout the pandemic.

Commissioner Cameron stated that Massachusetts State Police Captain Brian Connors is keenly monitoring the Massachusetts State Police's overtime. Mr. Lennon said that they have been meeting with Captain Connors and the licensees on this, and the collaboration with the casinos has been excellent.

Commissioner Updates

Annual Report (2:22:38)

Commissioner Zuniga reviewed the revised version of the Annual Report. The Chair offered some edits to the Chair's letter.

Commissioner O'Brien commented on edits made and other items she wants to see in this report. She stated sports betting should be on the agenda regularly to discuss and stay informed, even though it is not appropriate to have it in this report.

Commissioner Stebbins added that he would like to elevate the profile of PPC's relicensing in the annual report.

After all edits are received, the Director of Communications will work with the vendors to finalize the report.

With no further business, Commissioner Zuniga moved to adjourn. 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 December 3, 2020
2. Draft Commission Meeting Minutes dated August 28, 2020
3. Draft Commission Meeting Minutes dated September 3, 2020
4. Draft Commission Meeting Minutes dated November 9, 2020
5. MGM Q3 2020 Report dated December 3, 2020
6. Memorandum re: Melrose Reserve Grant and attachments, dated November 30, 2020
7. City of Melrose Public Works Department Specification & Contract Documents 2019-2020
8. Memorandum: 2020 Community Mitigation Fund – Workforce Development: Proposal to reconsider approving funding for BEST Hospitality via Mass Hire Metro North dated November 18, 2020, and related documents
9. 205 CMR 134.01: Key Gaming Employee Licensees Draft Small Business Impact Statement
10. 205 CMR 134.01 Regulation Cover Sheet
11. 205 CMR 134.01 Draft Regulation
12. 205 CMR 134.02: Gaming Employee Licensees Draft Small Business Impact Statement
13. 205 CMR 134.02 Regulation Cover Sheet
14. 205 CMR 134.02 Draft Regulation
15. Legislative Initiatives Chart
16. FY21 First Quarterly Update
17. Attachment A FY21 Actuals Spending and Revenue dated October 1, 2020