



Massachusetts Gaming Commission Meeting Minutes

Date/Time: May 1, 2019 – 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 Eileen O'Brien
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

**Time entries are linked to the
corresponding section in the
Commission meeting video.**



Call to Order

See transcript page 1

[10:00 a.m.](#) Chair Cathy Judd-Stein called to order public meeting #266 of the Massachusetts Gaming Commission.

Approval of Minutes

See transcript pages

[10:01 a.m.](#) *Commissioner Stebbins moved to approve the minutes from the Commission meeting of March 28, 2019, subject to correction for typographical errors and other nonmaterial matters. Commissioner Cameron seconded the motion. The motion passed unanimously.*

Commission Update

See transcript pages 1 – 4

[10:02 a.m.](#) **Wynn Resorts Suitability Review**

The Chair addressed the Commission's report issued the previous evening regarding the suitability of Wynn Resorts and Wynn MA LLC.

She stated that she first wanted to thank the Commissioners and team for their diligent efforts during the entire investigation. She went on to thank the Investigations and Enforcement Bureau (IEB), specifically Karen Wells, IEB Director, Loretta Lillios, IEB Chief Enforcement Counsel, and Det. Lt. Brian Connors of the Massachusetts State Police. She also thanked Ed Bedrosian, Executive Director, as well as the Legal Division, specifically Catherine Blue, General Counsel, Todd Grossman, Deputy General Counsel, Justin Stempeck, Associate General Counsel, Carrie Torrisi, Associate General Counsel, and Shara Bedard, Paralegal.

The Chair stated that the Commissioners made their decision with great care as they methodically weighed the evidence in the matter, conforming to the standards of review that the law requires and expects of the Commission. She stated that she is confident that the Commission has met its legal and ethical burdens. Further, after lengthy deliberations and for the reasons detailed in the written decision, Commissioners conclude that Wynn Resorts, Wynn MA, LLC, and its qualifiers remain and are suitable to maintain the Region A Category 1 gaming license, subject to the fines and conditions set forth in the decision.

Each Commissioner offered their thoughts on the deliberation process and operations of the agency during this time and thanked the staff for their professionalism and hard work.

[10:12 a.m.](#) The Chair asked Ms. Blue to define the payment schedule for the fines imposed by the decision on Wynn Resorts, as a statutory matter. Ms. Blue stated that this is addressed in the Commission's Enabling Act [M.G.L. c. 23K § 36\(f-g\)](#). She then briefly summarized the terms therein, stating that any fine assessed would be paid within 30 days of the assessment of the fine unless there is a request for judicial review.

[10:14 a.m.](#) The Chair announced a break to take questions from the media. She then gave a statement and Commissioners took questions (see video and transcript pages 4 - 7)

Administrative Update

See transcript pages 4 - 11

[10:35 a.m.](#) **General Update**

Executive Director Ed Bedrosian also thanked the Commissioners and staff for all of their work over the last year during the investigation.

Director Bedrosian reviewed pre-opening matters for Encore and asked for permission to hold a public meeting to address these items. He anticipates

the need for more frequent Commission meetings taking place between now and the opening date of June 21st for Encore Boston Harbor.

[10:39 a.m.](#) **Massachusetts Gaming Commission Quarterly Budget and Diversity Spend Reports**

Derek Lennon, Chief Financial and Accounting Officer reviewed a memo summarizing the FY19 Third Quarterly Budget Update. He summarized it stating that as of the last update, the Commission's budget increased by \$3.1M. For this third quarter, staff is seeking to increase the budget again by \$1.3M, all in legal costs.

In conclusion, staff is seeking a vote to increase the Gaming Control Fund budget by \$1.3M to amount to \$37.8M, based on the information in the [Commissioners' packet](#).

As this matter was not in the public meeting notice as requiring a vote for approval, the Chair preferred that the Commission vote at the next Commission meeting.

[10:45 a.m.](#) Agnes Beaulieu, Finance and Budget Office Manager, reviewed the Supplier Diversity Program benchmarks in the Commission's total spending and encumbrances to date, through the third quarter for FY19 with the Commission.

The Finance and Budget Office has engaged a vendor named VeriCloud that staff would like to bring to a Commission meeting later in the year to provide an overview of their operation. Currently, the company reviews Commission spending on contracts and strategy for visibility to potential vendors. They also advise how to reach out to vendors who are on the Massachusetts Operational Services Division list but haven't received contracts in the past with the Commonwealth. So far they have been extremely helpful in procuring vendors, thus enabling the Finance Division to surpass its benchmark goals for acquiring small businesses and minority-owned businesses as vendors.

Women-owned businesses and service disabled veteran-owned businesses have been a challenge in the last few years. However, VeriCloud has also been helping in these categories.

Mr. Lennon outlined efforts made to ensure streamlining of the process for minority-owned businesses to register as vendors with the Commission.

Investigations and Enforcement Bureau (IEB)

See transcript pages 11 – 13

[11:00 a.m.](#) **MGM Qualifier**

Karen Wells, IEB Director recommended that the Commission approve Patrick Martin, Vice President of Regional Compliance for MGM Resorts International as a qualifier for MGM Resorts International. She summarized the investigation report of Mr. Martin and explained that he demonstrated by clear and convincing evidence he is suitable for licensure in Massachusetts. Therefore, the IEB is recommending that the Commission find him suitable.

11:05 a.m. *Commissioner Cameron moved that the Commission approve Patrick Daniel Martin, Vice President of Regional Compliance for MGM Resorts International, finding him suitable as a qualifier. Commissioner Stebbins seconded the motion.*
The motion passed unanimously.

Racing Division

See transcript pages 13 – 17

11:05 a.m. **Reimbursement of 2017 Unclaimed Tickets**

Dr. Alex Lightbown, Racing Division Director, summarized the Racing Division's Request for reimbursement of unclaimed winnings to the Commission.

Chad Bourque, Racing Division Financial Analyst, stated that the unclaimed tickets for horse tracks go back to the purse accounts while the unclaimed tickets from the greyhound tracks will go into the racing stabilization fund.

For 2017, Sterling Suffolk Downs will reimburse \$224,045.33, and Plainridge Racecourse will reimburse \$186,705.64. He added that the amount Wonderland will reimburse is \$7,981.23, and Raynham Park will reimburse is \$150,144.70.

Mr. Bourque stated that he has reviewed Sterling Suffolk Racecourse, Plainridge Racecourse, Wonderland, and Raynham Park's outstanding ticket accounts for the calendar year 2017 and determined that the aforementioned amounts are payable before April 1, 2019. The funds have been submitted to the Commission and cleared, and with the Commissioners' authorization, the distribution will occur.

11:09 a.m. *Commissioner Stebbins moved that the Commission approve the deposit of unclaimed wage in the purse accounts of the racing meeting licensees as prescribed in the Commissioner's packet to Sterling Suffolk Downs and Plainridge Racecourse. Commissioner Zuniga seconded the motion.*
The motion passed unanimously.

Commissioner Stebbins further moved that the Commission approve the amounts from unclaimed tickets by greyhound meeting licensees and be dedicated to the racing stabilization fund as prescribed in the Commissioner's

*packet to Wonderland Greyhound Park and Raynham Park. Commissioner Cameron seconded the motion.
The motion passed unanimously.*

Suffolk Downs' Request for Reduced Take Out

Dr. Lightbown stated that Suffolk Downs' Chief Operating Official Chip Tuttle has submitted a request to reduce the takeout to 16% on Win Place Show and 19% on Exotics. This action will not impact the statutory amounts owed to the Massachusetts Gaming Commission or Massachusetts Thoroughbred Breeders. The Commission first approved a reduction in 2015, then again in 2016, 2017 and 2018.

Dr. Lightbown recommends that the Commission approve the request of Suffolk Downs to reduce the take out to 16% on Win Place Show and 19% on exotics.

[11:12 a.m.](#) *Commissioner Cameron moved that the Commission approve the request of Suffolk Downs to reduce the take out to 16% on win, place and show and 19% on exotics, as recommended by the racing division. Commissioner O'Brien seconded the motion.
The motion passed unanimously.*

Suffolk Downs Request for Approval of Racing Officials

Dr. Lightbown then reviewed Suffolk Downs request for approval of their key operating personnel and racing officials. She stated that this is similar to what was approved previously with Plainridge for their key operating and officials.

Dr. Lightbown stated that similarly, many are not local and they may not be licensed with the Commission currently. Thus, the Racing Division asks that the Commission approve them pending satisfactory completion of their background checks by the state police and pending approval by the stewards.

[11:13 a.m.](#) *Commissioner Stebbins moved that the Commission approve the request of Suffolk Downs to approve their April 24th, 2019, list of key operating personnel and racing officials, pending approval by the stewards and satisfactory completion of the background checks by the Massachusetts State Police. Commissioner Cameron seconded the motion.
The motion passed unanimously.*

Commissioner Updates

See transcript page 17

[11:15 a.m.](#) Commissioner Cameron stated that the Commission has been selected by the International Gaming Regulators to host the 2020 Gaming Regulators Conference. She thanked Janice Reilly, Chief of Administration, for taking the

lead on much of the prep work for coordination in this event. Commissioner Cameron noted that the location for the conference has not been determined yet.

11:16 a.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 May 1, 2019
2. Draft Commission Meeting Minutes dated March 28, 2019
3. Memo re Fiscal Year 2019 (FY19) Third Quarter Budget Review dated May 1, 2019
4. Attachment A – FY19 Actuals Spending and Revenue dated April 1, 2019
5. Budget and Diversity Spend Report
6. Memo re 2017 Reimbursement of Unclaimed Winnings – Horse Tracks dated April 11, 2019
7. Memo re 2017 Reimbursement of Unclaimed Winnings – Greyhound Tracks dated April 11, 2019
8. Memo re Suffolk Downs Takeout Reduction Request dated April 25, 2019
9. Letter from Chip Tuttle, Chief Operating Officer of Suffolk Downs re Takeout Reduction dated April 16, 2019
10. Memo re Suffolk Downs Key Operating Personnel and Racing Officials dated April 26, 2019
11. Letter from Chip Tuttle, Chief Operating Officer of Suffolk Downs re Key Operating Personnel dated April 24, 2019

/s/ Catherine Blue
Assistant Secretary