



Massachusetts Gaming Commission Meeting Minutes

Date/Time: July 30, 2020 – 10:00 a.m.

Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
MEETING ID: 112 074 4154

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 #314 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

10:04 a.m. *Commissioner Stebbins moved to approve the minutes from the Commission meeting of June 18, 2020, subject to correction for typographical errors and other nonmaterial matters. Commissioner O'Brien and Commissioner Zuniga*

recommended edits. Commissioner Cameron seconded the motion with the amendment.

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

10:05 a.m. Current Casino and Racing Update

Loretta Lillios, Chief Enforcement Counsel/Deputy Director, provided an update to the Commission on casino operations since their reopening. She reviewed incident reports and reported actions taken by casino management to quell any disturbances. Dr. Alex Lightbown, Director of Racing, was present to answer any questions from the commissioners concerning racing.

Commissioner Zuniga changed to call-in from video participation due to a connectivity issue.

10:13 a.m. The Investigations and Enforcement Bureau (IEB) is currently working on licensee's requests to add Roulette and Craps' dice games. The bureau is presently considering the approach of other jurisdictions with their introduction of those games.

10:15 a.m. The Chair noted that Penn National CEO and Director Jay Snowden and PPC President Lance George are present. She and the commissioners thanked the three licensees, their lead gaming agents, the horsemen, and the staff for the extensive work performed to achieve a safe and sustainable reopening of the casinos.

10:20 a.m. Legislative Development Update

Todd Grossman, Interim General Counsel, first updated the Commission on the status of Bill [H.4817](#), an Act extending simulcasting and horse racing authorization, that was enacted on June 30. The bill extends all applicable horse racing laws to July 31, 2021. It allows Raynham Park, Wonderland, and Suffolk Downs to remain racing meeting licensees, enabling them to continue simulcasting; however, it precludes these entities from live racing without Commission approval. Mr. Grossman noted that the bill allows Suffolk Downs to remain licenses as a running horse racing meeting licensee.

Mr. Grossman also reported on Bill [H.13](#) and Bill [S.101](#), which are Acts relative to horse racing and wagering, and the regulation of horse racing and wagering. Both bills proposed to create a new G.L. c. 128D that would provide the

Commission with clear and comprehensive authority over horse racing and simulcasting. He stated that on June 7, the Joint Committee on Consumer Protection and Professional Licensure had reported that these two bills would not pass.

Next, Mr. Grossman updated the Commission on the status of Bill [H.386](#), an Act relative to the Community Preservation Trust Fund. The proposed bill would have adjusted the nine percent assessment on PPC's Gross Gaming Revenue under section 55, directing 4.5 percent to the Race Horse Development Fund (RDF) and 4.5 percent to the Community Preservation and Trust Fund (CPTF). The Joint Committee of Economic Development and Emerging Technologies held a hearing in October 2019, and a study order was placed on the bill in February.

Bill [H.387](#), an Act relative to the Race Horse Development Fund, is proposed to require the comptroller transfer up to \$10M each fiscal year at the request of the Secretary for Administration and Finance from the RDF to the CPTF. The Joint Committee of Economic Development and Emerging Technologies held a hearing in July 2019, and a study order was placed on this bill in February as well.

Mr. Grossman also reported on the status of Bill [H.4879](#), an Act enabling partnerships for growth, and Amendment [S.2842](#). Bill H.4879 notably includes a section that would legalize sports wagering and place its regulation under the Commission. The bill would also require that the Commission submit a status report to the legislature regarding Region C. The bill passed on Tuesday, when it became Bill [H.4887](#) and went before the Senate, where it was amended to exclude any language on sports wagering, including a required report on Region C. He noted that there had been several additional amendments made that he is reviewing and will continue to monitor this rapidly evolving matter.

[10:25 a.m.](#) Lastly, Mr. Grossman stated that the U.S. House of Representatives agreed to Amendment [H.R.7608](#) that would prohibit funds from being used by the Department of the Interior to rescind the decision to take lands of the Mashpee-Wampanoag Tribe into Federal trust or to revoke other associated actions.

Investigations and Enforcement Bureau (IEB)

[10:29 a.m.](#) **Plainridge Park Casino Licensure, Suitability Determinations**
Loretta Lillios, Chief Enforcement Counsel/Deputy Director, described the status of the ongoing suitability investigation of PPC's casino license renewal. Massachusetts State Police Trooper Thomas Roger, Financial Investigator Supervisor Monica Chang, Financial Investigator Zong Fei Zou, and Senior Supervising Gaming Agent, Andrew Steffen joined Ms. Lillios in her presentation.

Ms. Lillios directed the Commission to the memorandum in the [Commissioners' Packet](#) entitled, "Summary of Suitability Investigation of Plainridge Park Casino,

Applicant for Renewal of Category 2 Gaming License". They reviewed the Qualifiers that were investigated with the Commission.

- [10:41 a.m.](#) Trooper Rodger described the background investigations he conducted on Todd George, Executive Vice President of Operations, Erin Chamberlin, Vice President of Regional Operations, and Chris Rogers, Senior Vice President & Chief Strategy Officer.
- [10:45 a.m.](#) It was noted for the record that the suitability reports for David Williams, Chief Financial Officer for Penn National, and Chris Soriano, Vice President of Regulatory Affairs for Penn National, are still pending ordinary course.
- [10:50 a.m.](#) Ms. Chang provided the Commission with a summary of the IEB's financial review of PPC and Penn National. She stated that overall, the IEB's review of PPC and Penn National's financial operating results from 2015 – 2019 did not uncover any derogatory information. She added that since the start of the pandemic, Penn National had implemented multiple strategies to reduce costs, maintain lease and debt requirements, and preserve and even increase its liquidity levels.
- [10:54 a.m.](#) Commissioner Zuniga asked Mr. Snowden if he would comment on how he sees the next few months in dealing with the COVID-19 situation. Mr. Snowden noted the measures already taken that Ms. Chang presented. He also pointed out that the reopening of their properties has gone well. Visitation has not fully recovered yet, but their primary focus has been on compliance with public safety requirements by jurisdiction. Mr. Snowden will continue to update the Commission with his observations of their portfolio of properties across the country. Lastly, he stated that Penn National has extended benefits to furloughed employees through August. He added that Boston (their Massachusetts license) is critical to our business.
- [11:06 a.m.](#) Next, Ms. Lillios introduced the compliance piece of the investigation on PPC. She noted several specific compliance issues that were remedied during the course of their five-year license.
- [11:08 a.m.](#) Mr. Steffen commented on PPC's compliance history, starting from their opening in 2015. He explained the reporting process for any compliance issues and reported that within the last 18 – 24 months, there had been minimal non-compliance incidents. Mr. Steffen noted that there were 43 underage patrons identified over five years, and only eight found gaming. He added that the IEB has a stable professional working relationship with PPC and their entire team.
- [11:14 a.m.](#) Commissioner Cameron remarked that PPC's compliance record is exemplary. She thanked both the IEB and PPC for working collaboratively to ensure compliance is achieved fairly.

[11:16 a.m.](#) Concerning incidents of underage individuals being identified on the casino floor, Commissioner O'Brien requested a breakdown of those individuals' ages. Mr. Steffen will provide this information to the Commission. Ms. Lillios recalled that the ages were a range mostly of 18 – 21. The Chair requested that Commissioner O'Brien follow-up.

[11:21 a.m.](#), Ms. Lillios stated that considering the entirety of the investigation and PPC's compliance history over the initial five-year term of the category 2 license, the IEB recommends that the Commission issue positive determinations of suitability to PPC and the qualifiers that comprise this application. She suggested that the Commission find PPC suitable under the criteria listed in the gaming law and regulations.

[11:22 a.m.](#) *Commissioner O'Brien moved that the Commission issue a positive determination of suitability to the category 2 licensee, Plainville Gaming and Redevelopment, LLC, Doing Business As the Plainridge Park Casino (PPC), as well as the following qualifiers:*

Jay Snowden, Chief Executive Officer, and Director;

David Handler, Chairman of the Board;

Todd George, Executive Vice President of Operations;

Chris Rogers, Senior Vice President & Chief Strategy Officer;

Erin Chamberlin, Vice President of Regional Operations;

Jane Scaccetti, Director;

Ronald Naples, Director;

John Jacquemin, Director;

Barbara Shattuck Kohn, Director

Steven Snyder, Senior Vice President, Chief Financial Officer - GLPI;

Saul Reibstein, Director - GLPI;

E. Scott Urdang, Outside Director - GLPI;

Joseph Marshall III, Outside Director – GLPI

Earl Shanks, Outside Director - GLPI;

James Perry, Outside Director - GLPI;

Carol Lynton, Outside Director - GLPI.

Penn National Gaming, Inc. ("PNGI") suitable as an Entity Qualifier for the category 2 licensee.

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.

[11:24 a.m.](#) Mr. Snowden made additional remarks. He noted that he is proud to have been the first casino that opened in the Commonwealth and stated that they endeavor to

continue to work with the Commission closely to ensure the integrity of the gaming industry in Massachusetts. He also noted financial contributions made to the Commonwealth. He added that a world record was established for trotters in the Spirit of MassTrot.

Mr. Snowden also assured the Commission that PPC will continue to put their team members' health and safety first and strictly adhere to their testing and contact tracing procedures in partnership with the Commission.

Penn National plans to launch a sports betting application in early September in Pennsylvania. It will then be made available in Indiana, Iowa, Michigan, New Jersey, Colorado, and others.

[11:32 a.m.](#) Lance George remarked that the current plan is that PPC will provide a more detailed presentation in September, with operational highlights from the first five years, and will include thoughts on the next five years. Topics will include the continuation of racing, the potential for sports betting, operating in a COVID-19 environment, and hopefully a post-COVID-19 environment.

Research and Responsible Gaming

[11:40 a.m.](#) **MAGIC Waves 1 – 4**
Director of Research and Responsible Gaming, Mark Vander Linden introduced the researched areas and discussed them in the MAGIC cohort studies. With him was Research Analyst Dr. Robert Williams and Research Analyst Dr. Rachel Volberg.

Mr. Vander Linden noted that this study has been conducted since 2013, and this is the fourth wave of examining participants over time. A considerable amount has changed in gambling and gambling availability since 2013 that has added an “extra layer” of interest for their study. The study is instrumental in developing effective treatment so that the Commission can develop effective prevention activities, specifically through GameSense.

[11:44 a.m.](#) Dr. Williams described that the research team is amid a comprehensive analysis of all five waves of this study. There will be a very substantial presentation that will provide a snapshot of the transitions of the four different categories of gamblers over the waves and the changes in problem gambling related to the introduction of casinos in Massachusetts.

[11:46 a.m.](#) Dr. Williams and Dr. Volberg led the Commission through a slide presentation that described the MAGIC study as the first major cohort study of gambling in the United States. He identified the four primary research goals and described them. He detailed the timeline of activity for the four waves of the study to date for the Commission.

[12:11 p.m.](#) In the context of the conducted study, Commissioner Cameron asked Dr. Williams if he knew whether at-risk gamblers change their behavior, moving back to recreational gambling, in other jurisdictions. He answered that this is a universal finding.

[12:16 p.m.](#) There was a discussion around identifying the number of people transitioning from at-risk gambling status to recreational gambling. Specifically, there is a 16.4 percent at-risk rate with those gamblers appear to transition back to recreational gambling, and female gamblers have a higher trajectory to problem gambler than men. Mr. Williams noted that their upcoming report will contain variables that predict onset, what differentiates chronicity vs. remission, and to what extent formal treatments play a role vs. at-home treatment.

Community Mitigation Fund

[12:25 p.m.](#) **West Springfield, Massachusetts Application Discussion**
Construction Project Oversight Manager Joseph Delaney reviewed the application with the Commission. Program Manager Mary Thurlow joined Mr. Delaney in the presentation.

Mr. Delaney reminded the Commission that the Commission discussed this item on June 25, and it had not resolved at that point. In the meantime, the Review Team gathered more information, and it is in the Commissioners' Packet for review today. He stated that the remaining items to be addressed were whether the Commission would consider the funds to supplement or supplant existing funds. The second item was whether the amount of the request is appropriate considering the cost of the impact.

Next, Mr. Delaney addressed the first item concerning supplementation vs. supplantation. He stated that after further consideration, the team considers the funds as supplementing rather than supplanting in this application.

[12:32 p.m.](#) The Review Team recommends that the Commission issue a one-time-only grant in the amount of \$200,000 to West Springfield to assist them in absorbing the loss of grant funds in the short term. The team also recommends that no additional funding be provided for these uses unless the completed Look-Back study identifies impact costs above the surrounding community payments received by West Springfield.

[12:35 p.m.](#) Mr. Delaney confirmed for Commissioner Stebbins that all the money goes toward public safety. The Commissioners agreed with the team's recommendation, with consideration to the Look-Back study.

[12:37 p.m.](#) *Commissioner Cameron moved that the Commission issue a one-time-only grant in the amount of \$200,000 to West Springfield for public safety operating costs as discussed here today, and in accordance with the recommendations outlined in*

*the July 27, 2020 memorandum included in the Commissioners' Packet.
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.

12:39 p.m.

With no further business, Commissioner Stebbins moved to adjourn.

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.

List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated July 30, 2020
2. Draft Commission Meeting Minutes dated June 18, 2020
3. Letter to MGC re: Summary of Suitability Investigation of Plainridge Park Casino, Applicant for Renewal of Category 2 Gaming License, dated July 17, 2020
4. PowerPoint Presentation: MAGIC Across Four Waves
5. MAGIC Waves 1 – 4 Transition Report dated May 22, 2020
6. Memorandum Re: West Springfield Police and Fire Community Mitigation Fund Application dated July 27, 2020
7. Letter to MGC re: Review Question Responses, dated July 17, 2020
8. Application Number EMW-2016-FH-00135

/s/ Bruce Stebbins
Secretary