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## Massachusetts Gaming Commission Meeting Minutes

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**Date/Time:** December 7, 2017– 10:00 a.m.

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

**Present:** Chairman Stephen P. Crosby  
Commissioner Lloyd Macdonald  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga  
Commissioner Gayle Cameron

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

### Call to Order

See transcript page 2.

[10:00 a.m.](#) Chairman Crosby called to order the 230<sup>th</sup> Commission meeting.

### Approval of Minutes

See transcript pages 2 – 5.

[10:00 a.m.](#) *Commissioner Macdonald moved to approve the minutes of the meeting of November 21<sup>st</sup> subject to typographical errors and other nonmaterial matters. Commissioner Zuniga seconded. Motion passed 4 – 0 with Commissioner Cameron abstaining, as she was not at the last commission meeting.*

### Administrative Update

See transcript pages 5 – 18

[10:02 a.m.](#) **Administrative Update:**

### Sports Betting Update

Executive Director Ed Bedrosian stated that the Supreme Court had recently heard the Christie vs. National College Athletic Association (NCAA) case, where the State of New Jersey seeks to have the Professional and Amateur Sports Protection Act (PASPA) overturned, allowing state-sponsored sports betting. Director Bedrosian

stated that the outcome of this case could have implications for the potential of legalized sports betting in Massachusetts.

Executive Director Bedrosian advised the Commission that Staff Counsel Justin Stempeck and Licensing Director Paul Connelly have conducted research on the legal implications of a court decision and potential operational effects on the agency. Director Bedrosian suggested that Staff Counsel Stempeck and Director Connelly produce a white paper for this purpose, and contact the legislature to see if their work could help them understand any decisions they may be faced with, depending on the outcome of the Supreme Court case.

10:12 a.m.     **Massachusetts Gaming Commission mid-Year Budget Report – D. Lennon, Chief Financial and Accounting Officer**

CFAO Derek Lennon and Ms. Agnes Beaulieu, Finance and Budget Office Manager presented on the anticipated FY '18 budget increase to support the operational costs of opening the MGM facility in Springfield. It was noted that there were no public comments received after the presentation at the November 21 commission meeting.

Mr. Lennon referred the Commission to a chart that outlined the funds needed for staffing, broken down by areas of object class and object code. Mr. Lennon referred the Commission to page three of his memo that illustrated the regulatory authority the Commission has to increase the budget during the fiscal year and also included a breakdown by licensee to show how the assessment would be distributed with the proposed budget increase.

Mr. Lennon asked the Commission to approve the additional costs outlined and increase the assessment from \$23.58 million to \$24.15 million to allow the agency to move forward with posting, hiring and procure any additional costs outlined in his memorandum.

Commissioner Stebbins suggested that the office space that is currently being leased in Springfield can be used for the new GameSense Advisor until full access to the GameSense area and MGM is available. This would ensure that the public has access to register themselves on the self-exclusion list as soon as possible, before MGM opens.

Commissioner Zuniga added that he was in favor of Mr. Lennon's conservative approach from a budgetary standpoint, and that he would be supporting the vote.

10:16 a.m.     *Commissioner Stebbins moved that the Commission approve the additional cost of the FY '18 budget increase the assessment from \$23.58 million to \$24.15 million as the details were provided in the packet. Commissioner Macdonald seconded. Motion passed unanimously.*

**Ombudsman, John Ziemba**

See transcript pages 18 - 115

10:17 a.m.     **Plainridge Park Casino Quarterly Report – L. George, General Manager**

Ombudsman Ziemba introduced CFO Reuben Warren, VP of Marketing Michele Collins, VP of Operations Mike Mueller, and General Manager Lance George, of Plainridge Park Casino to address the quarterly report for Plainridge Park Casino for the third quarter of this year ending September 30<sup>th</sup>.

Mr. Warren presented on Spending by State, Local Spending, Vendor Diversity, Q3 Diverse Vendor Spending, Gaming Revenue & Taxes, and Lottery Sales. Mr. Warren stated that business is up by 12%, and he attributes this to new marketing strategies, live events, and being more active in the community to educate people about the business. Mr. Warren addressed lottery sales, stating that there has been an almost 21% increase in sales over the year, which is PPC's best quarter since opening. He attributes this increase to the lottery focusing on what the public wants and trying new types of games, as well as the convenience factor of having lottery tickets sold at the casino.

Mr. Mueller presented on PPC's Compliance with Regulations and Employment.

Ms. Collins presented on the Women Leading at Penn initiative. She stated that the focus of this initiative is about educating and helping women in management roles to become leaders in the gaming industry. Ms. Collins stated that the initiative also gives women tools to become managers and also teaches skills like emotional intelligence, and negotiation. There are training sessions throughout the year in the form of seminars and focus groups. Ms. Collins stated that at the end of the program, there would be a large seminar in Las Vegas where the women share what they learned and provide feedback.

Ms. Collins then presented on PPC's work with the local community, highlighting all the organizations that have been working with PPC as well as Q3 Partnerships, to include the Patriots, NESN, and Wrentham Village Premium Outlets, among others. Ms. Collins discussed Marketing Highlights for 2017, noting successful promotions, giveaways, and a Back to School Supply Drive.

10:45 a.m.     **Pedestrian Bridge Study Update – J. Delaney, Construction Project Oversight Manager**

Ombudsman Ziemba discussed the status of Wynn Boston Harbor Pedestrian Bridge Study. As part of the Wynn MEPA requirements, Wynn Boston Harbor was required to provide \$250,000 to study a pedestrian and bicycle crossing that would span the Mystic River to Somerville from a landing spot near the Wynn facility. Earlier this year, the Commission voted to authorize Wynn to use the funding to begin the design of the bridge instead of use the funding to defray a second study, as the bridge connection had already been studied as recently as 2009. This authorization of the expedited bridge design planning was meant to bring the regional benefits of this bridge to communities sooner rather than later.

Ombudsman Ziemba addressed the status of planning for the bridge. He stated that Wynn, with other agencies, plans to wrap up planning by the end of 2017 with a public presentation as early as January.

Construction Project Oversight Manager Joe Delaney then presented slides regarding the Regional Public Transit, Pedestrian and Bicycle Connections, and shared details about connected projects to this bridge that are underway.

[11:10am](#) The Commission took a short break.  
The Commission reconvened.

[11:17 a.m.](#) **2018 Community Mitigation Fund Guidelines**

Ombudsman Ziemba stated that since the last meeting, Commission staff has had robust meetings with the Local Community Mitigation Advisory Committees for both Region A and B, and that the subcommittee on community mitigation and the Gaming Policy Advisory Committee are scheduled to meet later this month. He also noted that there were four comments received as a result of the public comment request posted on November 1, 2017, and that input from the Local Community Mitigation Advisory Committees and a review of the comments have been considered in the guidelines.

Ombudsman Ziemba stated that his goal at this Commission meeting was to understand if there were additional questions that the Commission would like to explore as they finalize the guidelines for the 2018 program, or if the Commission would like further clarification or discussion on any of the proposed elements of the guidelines. He stated that he expected to come before the Commission again on December 21, 2017 to finalize the guidelines.

Ombudsman Ziemba described a target of \$6 million for 2018 for transportation and workforce spending that, with some conservative estimates, would allow \$4 million for the 2019 fund. Commissioner Zuniga suggested that the Commission could create a new category similar to the Transportation Planning grant to pay for police training costs.

There was a discussion about incentive funding with applications involving more than one community. Also, awarding funding based on contributions from casinos in their community was discussed. Comment letters from the public were reviewed with Commissioners as well.

Ombudsman Ziemba highlighted the Commission's intent to develop a system in future guidelines of awarding funding that is based on the contributions of each of the gaming facilities in the region.

Ombudsman Ziemba clarified that the Community mitigation fund is designed to mitigate impacts related to the casino. The Gaming and Economic Development Fund does not require a nexus to the casino. Ombudsman Ziemba asked that the communities be mindful if they are applying for Community Mitigation Fund dollars, the projects for which funding is request may have an ancillary benefit to communities but Community Mitigation Fund dollars cannot be used to fund something that is for general municipal purposes.

## **Workforce, Supplier and Diversity Development – Jill Griffin, Director**

See transcript pages 115 - 154

12:02 p.m.

Director Griffin explained a new initiative being rolled out called the Build A Life campaign. The purpose of this initiative is to focus on opportunities for women of color in construction careers, and closing the wage gap between men and women. Director Griffin stated that the initiative hopes to increase women working in the construction industry from 5% to 20%.

Director Griffin discussed the Awareness Campaign being rolled out in conjunction with the initiative. She worked with Communications Director Elaine Driscoll on this campaign, and stated that there is now a mobile friendly website as well as a digital billboard in Plainville. Director Griffin also stated that she would be working with the MBTA to post signs, making this initiative even more visible.

Director Griffin introduced Ms. Liz Skidmore, Business Representative Organizer for the New England Regional Council Carpenters, and President of the Northeast Center for Tradeswomen's Equity, and Ms. Kate Harrison, Pipeline Navigator for Northeast Center for Tradeswomen's Equity, as well as Ms. Lisa Clauson of the Labor Management Program in Central and Western Massachusetts.

Ms. Skidmore presented on how they are using social media for advertising, and stated that there is an open house once a month that has drawn almost 50 women per night. She explained the requirements for applying for an apprenticeship, as well as illustrating how child care is being addressed and that they are working on developing more resources. Ms. Clauson stated that they are holding a Western Massachusetts "Girls in Trades" session for girls from vocational schools throughout mostly western Massachusetts in January in Springfield. Ms. Harrison spoke about the open house Tradeswomen Tuesday events, where 164 women attended the most recent one. She also stated that 90% of women who attended were women of color.

Commissioner Zuniga asked what might be the barriers for people who don't meet requirements or people who opt out. Ms. Harrison replied that not having drivers' license and lack of child care are the two biggest challenges women face for this type of job.

Commissioner Cameron stated that she admired the individual prescription idea of recruiting, and added that she found in her past experience that women on the job were really the best recruiters. Commissioner Cameron also stated that in her experience it was necessary to make sure the women on the job knew what was happening, how to contact a recruiter, and how to start a program.

Commissioner Stebbins asked if women feel that all the required training was daunting and if it presented a road block for applicants. Ms. Harrison stated that apprentices are paid while they train so that is an incentive. Ms. Vogel replied that apprentices get paid, so they are doing on-the-job training. Also, apprentices are

taking a class either evenings and Saturdays or in the cases of some trades, during the day, which should not disrupt someone financially during that period.

Ms. Skidmore stated that starting salary in building trades is somewhere around \$20/hour and raises can be expected every six months, ensuring that one is earning money the whole time they are learning. She also added that training is free to apprentices.

Chairman Crosby indicated that he would like to get everyone together to discuss the budget, partners, and other related matters as soon as possible.

[12:45 p.m.](#)

The Commission took a 30 minute break.

[1:15 p.m.](#)

The Commission reconvened.

[1:16 p.m.](#)

**Research and Responsible Gaming – Mark Vander Linden, Director**

See transcript pages 156 - 205

Director Vander Linden opened by stating that he was with Gaming Technology Manager Floyd Barroga, to talk about his play management recommendation. He began with stating some recent numbers. With regard to player enrollment in PlayMyWay to date, the program has had 15,123 patrons enrolled, dating through October 31, 2017. From the program's launch to October 31, 2017, un-enrollment is at 17% leaving 12,877 currently enrolled in the program.

Director Vander Linden outlined four options to advance PlayMyWay:

1. Advance play management tools by promulgating a play management regulation and/or rules;
2. Advance PlayMyWay cooperatively with licensees through a non-regulatory path;
3. Support PlayMyWay at Plainridge Park Casino but delay it with category 1 casinos until further evaluation; or
4. Abandon the support of PlayMyWay in Plainridge Park Casino as well as Category 1 casinos.

Director Vander Linden's recommendation to the Commission was that the Commission draft regulations that would require licensees to develop a play management tool for their patrons. The regulation should remain flexible, to respond to findings from ongoing evaluation. Additionally, he recommended that the Commission work closely with Category 1 licensees to develop a realistic time line and plan for the implementation.

Executive Director Ed Bedrosian opined that the Commission is between the regulatory environment and the cooperative environment. He initially leaned toward the cooperative environment, which the Commission has done with Penn.

Chairman Crosby suggested implementing a rule or guideline before converting it to a regulation, and Commissioner Cameron asked if Director Vander Linden will draft

and provide Commissioners with some kind of document in which they could approve and that would empower him to move forward with the licensees.

[2:14 p.m.](#)

The Commissioners take a break.

[2:16 p.m.](#)

The Commission reconvenes

[2:16 p.m.](#)

**Racing Division – Alex Lightbown, Director/Chief Veterinarian**

See transcript pages 205 - 255

### **Horse Racing Split – VOTE**

Commissioner Cameron addressed the horse racing committee recommendation on the appropriate split of the race horse development fund,. She stated that the decision was made in November that 5% more of the fund should be afforded to the Standardbred. The Horse Racing Committee also voted to recommend that the split should be retroactive to January 1 2017.

Dr. Lightbown briefed the Commission on the impact of the retroactive change that was made last year.

Commissioner Cameron stated that she believed that the Commission has demonstrated that they are very interested and hopeful that someone can come in and build a track and the thoroughbred folks will be able to race and sustain their industry that they love so much.

Commissioner Zuniga asked Deputy General Counsel Todd Grossman to discuss a comment received from a law firm that said the MGC has no authority to change rules retroactively. Deputy General Counsel Grossman responded that a legislative body cannot adopt laws, regulations or policies that are retroactive in nature. He added that it is the legal division's general opinion that the Commission may implement the committee's recommendation.

Commissioner Stebbins voiced his objection to the retroactivity of the split prior to the vote. He stated as he did not agree with the retroactive piece last year, he consistently did not agree with the retroactivity of the split this year.

[2:48 p.m.](#)

*Commissioner Cameron moves to approve the work of the racing committee and the split that was decided upon, 5% more moneys to the Standardbred industry. Commissioner Macdonald seconded. Motion Passed unanimously.*

*Commissioner Cameron moved to approve the moneys being distributed retroactively back to January 1<sup>st</sup> of 2017, then adjust going forward. Commissioner Macdonald seconded. Motion passed 4 - 1 with Commissioner Stebbins against it.*

[2:49 p.m.](#)

Chairman Crosby left the meeting.

[2:49 p.m.](#)

**Racing Division Annual Report**

Dr. Lightbown addressed the Commission on the Racing Division Annual Report and in particular the number of adverse drug findings and the number of occupational licenses issued.

Mr. Doug O'Donnell presented on Racing Division revenues and expenditures for the year.

**Suffolk Downs Request for Reimbursement – D. O'Donnell, Senior Financial Analyst – VOTE**

Dr. Lightbown requested reimbursement for Suffolk Downs capital improvement trust fund. The project is a sewer inspection and meter installation for a total of \$49,831.20. Moneys have been paid, so approval was needed to distribute the funds to Suffolk Downs.

3:09 p.m. *Commissioner Stebbins moved to approve request for reimbursement from the Suffolk Downs Capital Improvement Trust Fund for \$49,831.20 for the sewer inspection, meter inspection. Commissioner Cameron seconded. Motion passed 4-0 Chairman Crosby having left the meeting.*

**Quarterly Local Aid Payments – D. O'Donnell, Senior Financial Analyst – VOTE**

Mr. O'Donnell requested funds for quarterly local aid in the amount of \$166,954.13 for the third quarter of September 30<sup>th</sup>.

3:10 p.m. *Commissioner Cameron moved that the Commission approve the local aid distribution as outlined in the memo dated December 7<sup>th</sup> for \$166,954.13. Commissioner Stebbins seconded. Motion passed 4-0 Chairman Crosby having left the meeting.*

3:11 p.m. **Legal Division – Todd Grossman, Deputy General Counsel**  
See transcript pages 256 – 261

Deputy General Counsel Todd Grossman discussed 205 CMR 138.13 which pertains to the monthly statements which are required by statute to be issued to rewards cardholders. These regulations codify the implementation of that requirement, and are ready for final adoption at the Commission's discretion. Deputy General Counsel Grossman requested approval from the Commission of the Amended Small Business Impact Statement.

3:15 p.m. *Commissioner Macdonald moved to approve the Small Business Impact Statement as it appeared in the packet relating to the amendment to 205 CMR 138.13, paragraph four. Commissioner Stebbins seconded. Motion passed 4-0 Chairman Crosby having left the meeting.*

3:16 p.m. *Commissioner Stebbins moved that commission approve final form of 138.13, paragraph four related to complementary services for items for promotional gaming*

*credits. Commissioner Cameron seconded. Motion passed 4-0 Chairman Crosby having left the meeting.*

3:17 p.m.

**Commissioners' Updates**

See transcript pages 261 - 264

Commissioner Stebbins attended the kickoff to the MCCTI Gaming School being hosted by STCC and Holyoke Community College in partnership with MGM, where potential candidates were being registered for the school on the premises. Commissioner Stebbins acknowledged the great work the both Paul Connelly and Jill Griffin put into reviewing the license application, making sure it was meeting all regulations and signed off in a timely manner.

3:20 p.m.

*Having no further business, a motion to adjourn was made by Commissioner Zuniga. Motion seconded by Commissioner Stebbins. Motion approved 4-0 Chairman Crosby having left the meeting.*

**List of Documents and Other Items Used**

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated November 21, 2017
2. Massachusetts Gaming Commission Memorandum from CFAO Derek Lennon regarding the Fiscal Year 2018 (FY18) Operational Costs for MGM Opening
3. Report to the Massachusetts Gaming Commission Q3 2017
4. Mystic River Pedestrian and Bicycle Bridge Study
5. 2018 Community Mitigation Fund Table of Contents and Guidelines
6. Recommendations and Options for Consideration in the 2018 Community Mitigation Fund
7. Letter from City of Everett to Commissioner Stephen Crosby
8. Casino Action Network Comments on the 2018 Community Mitigation Fund Guidelines and Discussion Draft – Workforce Pilot Program
9. Join the Movement: 20% by 2020 PowerPoint Presentation
10. Memo to Chairman Crosby from Mark Vander Linden RE: Play Management Recommendation
11. Memo to Chairman Crosby from Chief Enforcement Counsel Loretta Lillios – IEB RE: Involuntary Exclusion List
12. Thoroughbred/Running Horse Full Accounting and Reconciliation of 9% GGR
13. Letter from Considine & Furey, LLP to Stephen Crosby
14. Comments from various members of the public regarding the recommendations of the Horse Racing Committee
15. Fourth Annual report of the Massachusetts Gaming Commission Division of Racing
16. Memo to MGC from Doug O'Donnell, Senior Financial Analyst – Racing Division
17. Letter from Dixon Salo Architects to Doug O'Donnell
18. Letter from Chip Tuttle, Suffolk Downs to Neil Dixon, Dixon Salo Architects, Inc.
19. Completed MGC Capital Improvement Trust Fund Promotional Trust Fund form signed by Chip Tuttle
20. Memo from Doug O'Donnell to MGC with billing reports
21. Redline of 205 CMR 138.13
22. Promotional flyers from PPC

23. Amended Small Business Impact Statement for 205 CMR 138.13(4)

/s/ Catherine Blue  
Assistant Secretary