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THE COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS GAMING COMMISSION

PUBLIC MEETING #44

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins

Enrique Zuniga

January 3, 2013, 1:00 p.m.

OFFICE OF THE DIVISION OF INSURANCE

First Floor, Hearing Room E

1000 Washington Street

Boston, Massachusetts

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P R O C E E D I N G S :

CHAIRMAN CROSBY: We will call together -- call to order our 44th public meeting of the Mass. Gaming Commission, January 3, 2013. Happy New Year, everybody.

We will start off as usual with the approval of minutes, Commissioner McHugh.

COMMISSIONER MCHUGH: The December 18 minutes have been distributed. I think you all got yesterday a redlined version but the version in the packets that's available for everybody today is one in which all of those redlined corrections have been accepted.

So, I would move, unless there are some corrections to be made that the minutes be approved.

COMMISSIONER CAMERON: Second.

COMMISSIONER STEBBINS: Just one tiny correction, third line up on page three, it says in terms of jobs and economic develop.

CHAIRMAN CROSBY: Development, yes.

COMMISSIONER MCHUGH: Development, okay.

CHAIRMAN CROSBY: All in favor, aye.

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1 COMMISSIONER ZUNIGA: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER MCHUGH: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes
6 have it.

7 On administration, Director Glovsky
8 stayed at the office today because we got a lot of
9 action going with applications and paperwork and so
10 forth. There was just a couple of things we wanted
11 to look at on the master schedule.

12 We had hoped that we would start
13 getting applications, fundamentally completed
14 applications -- We'll talk more about this with
15 Commissioner Cameron when we get to her agenda item.
16 But we've been ready to start background checks for
17 a couple of weeks now. And as you'll hear, we do
18 have two or three, I think, of the largely completed
19 applications on board. So, that's going to give us
20 a little bit of a head start. And we are anxiously
21 awaiting everything else.

22 All of the other critical path items
23 are going well. There is a lot of -- Writing the
24 regulations for application Phase II is the big

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1 project going on right now along with the background
2 checks. And it's under way and we are putting
3 together a master schedule.

4 We're pulling out those regs., which we
5 need to pull forward in order to try to move the slots
6 process forward expeditiously so we can try to get
7 that done first.

8 This is the critical path for the
9 slots. I think that's May 1. We hope to have all
10 of the backgrounds done by May 1, if not before, in
11 order that we could have any hearings if there are
12 appeals, and then do the application process late
13 in the summer.

14 So, we need to be sure we've got the
15 regs. all ready to go to match the completion of the
16 background checks around the first of May.

17 This process right here is largely or
18 substantially driven by public process, either
19 required process from the Secretary of State,
20 executive order process from the Governor and/or
21 what we just think is an appropriate amount of
22 hearing time on these important regs.

23 This is here at about three months. We
24 think we can squeeze that down a little bit. And

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1 I've asked Attorney Grossman along with
2 Commissioner McHugh and our lawyers to see if we can
3 tighten this up a little bit. But that is the slots
4 background checks and regs. leading to the licensing
5 process is critical path item number one. Right at
6 the moment and for the time being, it's going well.
7 And we anxiously await other completed applications
8 so we can get everything else going.

9 There's nobody to scroll this, so I
10 won't bother scrolling. The only other thing is we
11 have our finalists for Executive Director in
12 background check right now. And we will be bringing
13 them in for final public interviews as soon as we
14 have the background checks done. But we have agreed
15 to complete background checks before we bring
16 candidates in.

17 Other than that, I think that's
18 basically it for master schedule issues.

19 Does anybody else have questions?

20 COMMISSIONER STEBBINS: Just a quick
21 question or request or get some feedback. Now that
22 we've signed off on the MOU with the community
23 colleges for the casino careers, should we entertain
24 adding that process at the bottom of the Gantt chart

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1 to kind of just follow their progress and success
2 along the way as well?

3 CHAIRMAN CROSBY: Absolutely. I
4 think we should. And as you know, because you're
5 the hiring manager, we are in the process of hiring
6 a director for workforce supplier and diversity
7 development. That person hopefully will be on
8 within a month or so, and will need to have their
9 own critical path chart.

10 So, it's not really critical path
11 exactly, but I think it would be a good addition.
12 So, maybe you could talk to Director Glovsky about
13 setting that up?

14 COMMISSIONER STEBBINS: Sure.

15 CHAIRMAN CROSBY: Great. I forgot to
16 mention the obvious one, but the big one is January
17 15 is the final date, the due date for -- Again, we'll
18 hear more about this from Commissioner Cameron. --
19 but for the substantially completed applications
20 and the \$400,000 checks.

21 So, there's a lot going on right now.
22 And we are looking forward expectedly to January 15,
23 which will be the date at which we will know for sure
24 what the full lay of the land is across the

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1 Commonwealth.

2 Anything else on schedule issues?

3 Okay. Item 3b, the employee manual,
4 Commissioner Zuniga.

5 COMMISSIONER ZUNIGA: Yes, thank you,
6 Mr. Chairman. If it's okay with all of the
7 Commission, I will suggest that we postpone the vote
8 on this chapter for the following reason: Our
9 in-house attorney, Mr. Todd Grossman, has drafted
10 what I think is a very worthwhile and good piece of
11 procedure that pertains to responding to public
12 records requests.

13 And currently in our manual, we have
14 language that deals with public records on two
15 areas, in two chapters, if you will. And I believe
16 this language will really go a long way in
17 consolidating and clarifying that procedure, which
18 also appears in Chapter 6, which is the one that we
19 have in question.

20 Given that there is this good piece of
21 language, I propose that I incorporate it
22 accordingly in the chapters and come back next week
23 for a vote of the Commission. But I will distribute
24 that as we have been doing in advance to that vote

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1 for review of the Commission.

2 CHAIRMAN CROSBY: That's fine. As
3 long as we have this, does anybody have any comments?
4 I've got a couple. Just for the drafting and
5 redrafting, it seems this may get included in what
6 you're doing, but it seems to me that some kind
7 English-language, kind of heads-up warning to our
8 employees about requests.

9 It is startling to sit there and read
10 back all the emails that you have written and see
11 what you have written. You just don't think about
12 it when you're doing your ordinary day-to-day work.
13 And it's important, I think, to warn people that
14 every single thing they put in their email is
15 susceptible to a public records request. And
16 anybody in the world can be reading everything that
17 they've written.

18 So, I think somewhere in big bold
19 letters having something to that effect in this
20 would be important.

21 On 6.2, there's this thing that says
22 this section was adopted May 29. That looks like
23 it was just picked up by accident from someplace
24 else?

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1 COMMISSIONER ZUNIGA: No, no.
2 Actually, you may recall that on May 29 we had an
3 acceptable use policy that I felt -- for computers
4 essentially and networks that at the time before we
5 really started talking about a comprehensive
6 employee manual if that was important to bring. And
7 we did adopt that. That was a vote of the
8 Commission. So, it was just a clarifying note.

9 CHAIRMAN CROSBY: Okay, great. At
10 the end of section 6.3, it says with the exception
11 of the Director of Communication and staff directly
12 assigned to the communications department, all time
13 and effort that an employee spends on a personal site
14 should be done on the employee's personal time
15 without use of any state resources.

16 I don't understand why you make a
17 distinction between the Director of Communications
18 staff and everybody else about when they do personal
19 things on their personal time. Do you remember
20 that?

21 COMMISSIONER ZUNIGA: I think the
22 intention of that was the social media. This is all
23 in the context of a facebook and twitter.

24 CHAIRMAN CROSBY: Yes. But those

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1 aren't their personal sites. Those are MGC sites.

2 COMMISSIONER ZUNIGA: The effort was
3 to try to reconcile the fact that there will be
4 legitimate business purposes of certain key
5 employees. We don't have to restrict it or not.

6 CHAIRMAN CROSBY: Because it says an
7 employee spends on a personal site. Communications
8 people will not be spending time on personal sites.
9 They'll be spending time on Gaming Commission
10 twitter and facebook. That seemed a little odd to
11 me.

12 COMMISSIONER ZUNIGA: Sure. We can
13 change that.

14 CHAIRMAN CROSBY: Under 6.5, it says
15 the Commission may assess a photocopying printing
16 fee of no more than \$.10 per page. I thought the
17 Secretary of State's rule was \$.20 a page?

18 COMMISSIONER ZUNIGA: I could
19 double-check that. That may be outdated.

20 CHAIRMAN CROSBY: Then it also says
21 the hourly rate is \$18 an hour even if the persons
22 doing the searching or photocopying have a higher
23 pay rate. And again my recollection, because I just
24 went through this for something else, was that it

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1 would be the rate that is the highest required for
2 the person to do the job.

3 This is not a big deal, unless we get
4 a request, which is really an onerous request.

5 COMMISSIONER ZUNIGA: Right, right,
6 which is why the may is there and not a shall. The
7 Commission may impose a fee. It may waive it as
8 well.

9 CHAIRMAN CROSBY: But it constrains
10 the hourly rate. If I had to spend three weeks going
11 through all of my emails, we wouldn't want to charge
12 \$18 an hour.

13 COMMISSIONER ZUNIGA: Yes.

14 CHAIRMAN CROSBY: So, please
15 double-check those.

16 COMMISSIONER ZUNIGA: I can
17 double-check.

18 CHAIRMAN CROSBY: Those are the only
19 two. Just double-check those two things.

20 COMMISSIONER ZUNIGA: Yes.

21 CHAIRMAN CROSBY: Okay. Anybody
22 else? We will come back to probably next week.

23 Item number four, the Investigations
24 and Enforcement Bureau report, Commissioner

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1 Cameron.

2 COMMISSIONER CAMERON: Thank you, Mr.
3 Chair. First with regard to scope of licensing, all
4 of our scope of licensing, the determination as to
5 who the qualifiers should be have gone out.

6 Now there is one more potential
7 applicant speaking to our consultants, but that has
8 not progressed to the point where we need to make
9 a determination at this point.

10 CHAIRMAN CROSBY: In other words,
11 everybody that wants a background check, we have
12 told them who we think has to be included in the
13 background check?

14 COMMISSIONER CAMERON: Correct. Now
15 we are presently working with three of our
16 applicants who would like to possibly redefine
17 someone's role and/or give us additional
18 information for us to consider with regard to a
19 qualifier.

20 So, those discussions are ongoing. We
21 have a meeting next week. We have a conference
22 call. And all of the potential applicants have been
23 told, look, this will not slow down the
24 investigation. If there is additional work to be

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1 done, get the application in. We will begin the
2 application and then if it takes us another week or
3 so to determine exactly who the qualifiers are,
4 that's fine. So, I think we have an open dialogue
5 with everyone with regard to where we are and what
6 the process is.

7 Moving onto investigations,
8 Plainridge Racecourse has submitted an application,
9 which we have deemed sufficient and turned over to
10 our investigators in conjunction with the State
11 Police. And that background will commence
12 immediately.

13 In addition, we received two more
14 submissions today, MGM and Penn National. MGM was
15 in this morning. And Penn National has either been
16 there or will be this afternoon. The State Police
17 is there to take their submission. So, that
18 document review will start immediately. As soon as
19 that's deemed sufficient, those investigations will
20 start.

21 As far as everyone else, they're very
22 well aware of the 15th. And I'm just going to stress
23 again the need to be thoughtful about the
24 submission. All of the documents that we've

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1 requested and required should be there. That will
2 really help us with a timely investigation.

3 Also, as our regulations state, they
4 must be in an electronic format. If you could
5 please if you're using a CD format for example, the
6 fewer CD's the better. Not one CD or two for every
7 single qualifier, but just really try to condense
8 that information. Again, that will help us
9 tremendously with our end, which is to do a
10 sufficient timely investigation.

11 So, I appreciate in advance you working
12 with us on that. And that's all I have, Mr. Chair.

13 CHAIRMAN CROSBY: We'll be letting the
14 public know as these applications come in and are
15 accepted as sufficient to get the process going.
16 Then at the end of the schedule, the 15th, we'll
17 obviously summarize where we stand for everybody.

18 Okay. Item 5 key policy questions.
19 There's one down below on item 7, but I think really
20 this was just a matter of making sure that we have
21 a process in place for the next 20 or so questions.
22 I think that has been set up.

23 MS. REILLY: The 22nd and 23rd of
24 January.

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1 CHAIRMAN CROSBY: And whoever has
2 those, I guess, knows they're coming in. Okay.
3 They were available for public comment or they were
4 available for public comment before, right? Okay.

5 I guess the only other thing here is we
6 just need to be mindful as we track with the
7 consultants as we run through this process, actually
8 part of your master schedule for the reg. writing
9 is to make sure that we are thinking ahead about are
10 there issues that we need to address, are there big
11 policy questions that we need to address before
12 regs. can be written. I think we've already done
13 a lot of that, but we can just be mindful of that
14 as the process continues to unfold.

15 Okay, item 6 Racing Division

16 DR. DURENBERGER: Mr. Chairman,
17 Commissioners.

18 CHAIRMAN CROSBY: Director
19 Durenberger.

20 DR. DURENBERGER: The Racing Division
21 of the Massachusetts Gaming Commission did assume
22 operations out at the racetracks on December 31, on
23 Monday. We have some ongoing physical moving of
24 inventory and electronic files from DPL to our

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1 existing facility on 84 State Street. Working on
2 that, finishing that up this week as well as
3 extending into next week, should be completed by
4 January 9.

5 In your packet is an audit, a copy of
6 a final audit from the Office of the State Auditors.
7 This was the transition audit that you all had
8 requested at the time that you looked -- I'm sorry,
9 at the time of the transition when you assumed the
10 fiscal responsibilities of the old State Racing
11 Commission.

12 I think you've seen it before in draft
13 form, but this is the final form. And the
14 conclusion was "that the State Racing Commission had
15 adequately administered operations, adequate
16 controls in place to safeguard its assets, adequate
17 and complete accounting and contractual
18 documentation, and complied with all applicable
19 laws, rules and regs. for the areas tested." I
20 think they did look at a little bit of the follow-up
21 period as well from after you took control.

22 The local aid payments that we had
23 discussed and that you voted on a couple of weeks
24 ago, I'm happy to report that the 9/30 payment was

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1 processed on December 26. That was the first
2 quarter FY'13.

3 The second quarter, the 12/31 payment
4 is actually in process. It's just a matter of the
5 funds from the ISA being transferred over to the
6 MGC's control. So, that should be very timely,
7 which just leaves the fourth quarter FY'12, which
8 I think should also be very timely.

9 CHAIRMAN CROSBY: Okay. That's the
10 issue that is referred to in the audit report?

11 DR. DURENBERGER: Yes. The other
12 matters at the end.

13 COMMISSIONER MCHUGH: I think if I
14 could just add to supplement what Dr. Durenberger
15 has said that after the audit was prepared and after
16 we looked at the draft, we again looked at the
17 legislation and the legislative intent and looked
18 at the progression of the statutory changes that
19 affected these local aid payments and concluded that
20 the legislative intent was clear.

21 That these payments were to be made and
22 that it was the appropriate thing to do because the
23 cities and towns had budgeted for them. There were
24 a number of contingencies that dependent on the

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1 payments being made in timely fashion. And that
2 given that the legislative intent was unquestioned
3 when one looks at the entire history, making those
4 payments was the proper thing to do.

5 So, that is what led to the vote that
6 we made two weeks ago or on the 18th, to make those
7 payments. And it is worth noting that that's how
8 that was processed.

9 CHAIRMAN CROSBY: Furthermore, we had
10 the money sitting there for the purpose.

11 COMMISSIONER MCHUGH: Right and for
12 the FY'13 there was a specific appropriation
13 designating particularly those monies for that
14 purpose. So, all of that led to the vote that we
15 took on the 18th.

16 CHAIRMAN CROSBY: Great.

17 DR. DURENBERGER: The Section 104
18 legislative review report is due now at the end of
19 this month. Again, we are in the final stages of
20 distillation, if you will. We've identified four
21 issues that we're going to put before your next week,
22 at this meeting next week.

23 On a parallel track, we are right on
24 target with our regulatory changes that we're

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1 recommending. These are going primarily be in the
2 areas of medication and testing, which I think we
3 have discussed or at least touched on throughout the
4 process since I came on board and I think beginning
5 back in July when you had the consultant's report.
6 That's also going to come before you -- I'm sorry,
7 that's going to come before you at this meeting on
8 the 17th.

9 And that's all I have if you don't have
10 any questions for me.

11 CHAIRMAN CROSBY: Personnel that are
12 transitioning, what is the status of that?

13 DR. DURENBERGER: They're all
14 working. Everyone who chose to come on board is
15 working.

16 CHAIRMAN CROSBY: And that's enough to
17 keep the ship moving forward?

18 DR. DURENBERGER: It is, it is. We
19 have a couple of key hires that are going through
20 background right now. And I think there is one
21 position that we're going to repost for, but we
22 certainly have the manpower to fill in the holes in
23 the meantime.

24 CHAIRMAN CROSBY: Okay. Good. And

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1 office space and all that stuff?

2 DR. DURENBERGER: Work in progress,
3 yes.

4 CHAIRMAN CROSBY: Great. Anybody
5 else? Thank you.

6 COMMISSIONER CAMERON: Thank you.

7 COMMISSIONER MCHUGH: Thank you very
8 much.

9 DR. DURENBERGER: Thank you.

10 CHAIRMAN CROSBY: Okay. Ombudsman
11 Ziemba is out with a sick kid. So, I am going to
12 take this item. On item one, there's sort of
13 relates to that. The Governor's office has
14 notified us that they have filled the labor seat on
15 the Gaming Policy Advisory Commission. It's filled
16 by Brian Lang, who many of you know from Unite Here.
17 He was the one that put us in touch with the agency
18 in Las Vegas that had all of the training facilities,
19 really interesting stuff.

20 But we are still waiting on the
21 Governor's office to come up with a chair of the
22 Gaming Policy Advisory Committee. They're working
23 on it. And as soon as they have the chair, I think
24 a number of House and Senate members have been

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1 appointed. We're just waiting on the chair. So,
2 we're anxious to get that going. And Ombudsman
3 Ziemba is working with the Governor's office to try
4 to move that along as quickly as possible.

5 On question number 12 from our key
6 policy questions, you have the briefing paper in
7 your book, in your pack. The question was: To what
8 degree will an applicant be required to have
9 progressed in federal, state and local permitting
10 and other regulatory process before submitting its
11 RFA-2 application?

12 He has done a lot of work on this and
13 he has submitted a set of recommendations here.
14 Since he's not here to talk about it, I'll run over
15 it briefly, but he's really more familiar with it.
16 And this will be published and it's available for
17 public comment by anybody that wants to talk further
18 about this issue, if you haven't already.

19 And then we will have a couple of people
20 from the state come in next week from MEPA and I think
21 the Department of Transportation. And we will
22 fine-tune this and have a formal vote on this
23 outcome.

24 Let me walk through his memo. I think

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1 the short version of this is the Commission clearly
2 has an interest in having these processes being
3 moved as far along as possible because that enhances
4 the whole process of moving the expanded gaming
5 facilities to fruition as quickly as possible.

6 To the extent that licensing in
7 substantive ways is not complete, we will be
8 obligated to grant a conditional license which A -
9 is less speedy, which raises all kinds of potential
10 risks, and which may be taken back if the contingent
11 mitigation activities are not able to be completed.

12 In a perfect world, I think, we would
13 urge people, maybe even require people to be much
14 further along in the process, but there are timing
15 parameters particularly for people who are new to
16 the game. There's no way they could get it all done,
17 even if they tried - A. And B - there is some
18 reluctance to spend all of the money for a full
19 environmental assessment before people know whether
20 or not they are going to get their licenses. So,
21 that is not his recommendation.

22 He says that a requirement that all
23 projects secure all necessary permits, private
24 licensure would be unreachable. And he goes on to

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1 say is expensive and many legitimate bidders will
2 probably now want to incur that expense. Problems
3 however, are that if it's not completed, as I said,
4 there will likely be conditional approvals,
5 conditional on local and state permitting.

6 We will be weighing readiness to
7 proceed and readiness to get into the ground and to
8 get operating as one of the criteria for judging the
9 projects. So, to the extent that a proposer elects
10 not to pursue the permitting, that will have some
11 impact. How much, we will be talking about, but
12 will have some impact.

13 Third, the ombudsman is here to help.
14 So, the ombudsman will be trying to facilitate the
15 process with the state as much as possible. And in
16 order to move things forward, even without the
17 requirement that the permitting be mandated.

18 And then he points out that once we get
19 the licenses awarded, we have within the statute the
20 ability to put conditions for construction
21 deadlines and there are very big penalties
22 associated with failure to meet those. So, in other
23 words, there are other ways for us to comply speedy
24 construction beyond the permitting pre-licensing.

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1 He recommends that the Commission not
2 specifically mandate completion of local and state
3 permitting. However, he does recommend that we
4 require the filing of the environmental
5 notification form, ENF. He encourages bidders to
6 complete what is called an expanded ENF, which will
7 shortcut the process post-award if you are able to
8 do it.

9 I want to read this. MAPC wrote in
10 about the ENF process. Applicants should be
11 required to file both ENF and receive certificate
12 from the Secretary of the Executive Office of Energy
13 and Environmental Affairs prior to being a
14 full-blown applicant with us.

15 MAPC wrote the ENF lays out all of the
16 potential categories of impacts that will be
17 addressed in the full draft environmental impact
18 report. Although the ENF won't provide the final
19 impact analysis, it will identify the potential
20 significance on the various impacts and identify
21 potential fatal flaws in the proposal. This will
22 allow the Commission to review each application with
23 an understanding of all of the potential impacts
24 economic, transportation, environmental, etc., and

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1 it may affect the viability or likelihood of a
2 permittable project.

3 Initially because the ENF requires 21
4 days for public comment, it would be keep the process
5 transparent and provide added opportunities for
6 public input.

7 So, Ombudsman Ziemba is agreeing with
8 MAPC that that's an appropriate standard.

9 He describes, I won't bother going into
10 it, the expanded ENF, what else would be involved
11 in that. And he goes through a bunch of the other
12 certificates that are likely to be required, but
13 that he's not recommending that we do require.

14 He then talked with the state about
15 help -- we had talked about having an expedited
16 permitting process post-license award. This is
17 something Commissioner McHugh had been talking
18 about for months. And the agencies made it clear
19 that if the MEPA process is not completed, there will
20 be no really expedited permitting, because we got
21 to get through the MEPA process, which is the big
22 time sink.

23 But if you are through the MEPA
24 process, there can be quite an expedited process.

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1 And in any event, we got help from the state
2 agencies, particularly Energy and Environmental
3 Affairs and Transportation. They will work on our
4 teams to help us review the applications and to make
5 judgments about the mitigation efforts, to make
6 judgments about conditional licenses where
7 necessary.

8 And as has already been the case, we
9 will coordinate with the agencies with any applicant
10 that wants to try to get teed up as far as they
11 possibly can in the ENF or expanded ENF process.

12 And finally he recommends that we
13 basically not get involved in requiring local
14 permitting but says -- I think he says, yes that it
15 is recommended that the Commission consider
16 requiring applicants to demonstrate consistency
17 with local zoning prior to the award of a conditional
18 license following the Commission's review of the
19 file RFA-2 application.

20 The standard for approval of zoning
21 changes is higher than the standard of a referendum.
22 You may require a supermajority of a town meeting
23 or of some other kind of governmental body. And you
24 could have a referendum approving a variety of

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1 activities in a host community agreement,
2 mitigation efforts and they could fail at a zoning
3 appeal board process.

4 So, he is recommending that we require
5 effectively proof of zoning compliance. And I
6 think that's the gist of it.

7 I am happy to talk about it if anybody
8 wants. But we're mostly going to be interested in
9 -- This will be posted tomorrow, I guess, if not
10 later today. And anybody that has comments, we're
11 interested in hearing them. As I said, we'll have
12 representatives of the state agencies in next week
13 to fine-tune all of this.

14 COMMISSIONER ZUNIGA: Which is a great
15 approach and I'm looking forward to any more
16 comments and more discussion.

17 I had one thought on this notion of
18 readiness to proceed. I think it would be incumbent
19 upon us to try to differentiate two benefits that
20 are derived from that notion. The clear one are
21 that revenues and the jobs, if you will, the economic
22 impact by virtue of a casino or a greater resort,
23 if you will, opening as soon as practicably
24 possible.

1 And the other one that I believe Mr.
2 Ziembra alludes to eloquently is one of risk
3 mitigation or the ability to come to fruition on a
4 project at all by virtue of the permitting that needs
5 to happen or other factors that start to come in as
6 zoning, etc.

7 So in my mind, the benefits from
8 revenue and economic impact are very
9 straightforward to analyze and evaluate with some
10 discounted cash flow and some model, financial
11 model, if you will, maybe to a lesser degree the jobs
12 but they're still an economic impact benefit.

13 The other one that he does allude to,
14 one of risk mitigation, should really be but doing
15 in those terms in my opinion. That is just a point
16 that we should consider, we should continue to think
17 about as we put out the detailed criteria for
18 evaluating these proposals. But I see those two as
19 perhaps worth differentiating.

20 CHAIRMAN CROSBY: Yes. That's a
21 useful distinction.

22 COMMISSIONER MCHUGH: The thing I was
23 going to say is broader. And I think this
24 memorandum and this subject is as important as any

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1 subject that we've taken up thus far, because it
2 shows that although we are at the hub of a large
3 wheel, the wheel is large and it has a number of
4 spokes.

5 Some of these projects we've already
6 heard from planning authorities are the biggest
7 things that have ever been planned in the region
8 where they're going. There isn't any precedent in
9 some cases for the processes to get through all of
10 the steps that have to be taken before the
11 appropriate permits can be granted.

12 And there are at least three levels of
13 permitting that have to be obtained. There is the
14 state permitting and there may in some cases be the
15 federal, but mostly the state and then local
16 permitting, which has to be done as well. All of
17 this, as the Chairman you pointed out as you
18 highlighted the memorandum, may require zoning
19 changes and the zoning changes may require a
20 supermajority.

21 So, the interlocking pieces here that
22 have to come together in order for these projects
23 to actually proceed to fruition and the degree to
24 which we can be assured that they will come to

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1 fruition when we grant a conditional license,
2 getting to your risk mitigation point, Commissioner
3 Zuniga, seem to me to be critical pieces of the
4 center of what we're doing.

5 We can assess and analyze and weigh and
6 make extrapolations about a whole variety of things,
7 but unless all of this, these various permitting
8 requirements are satisfied, none of that's going to
9 matter.

10 So, I simply say that in the hope that
11 by posting this, all who are interested in this, the
12 developers, members of the community, planning
13 councils will comment so that we can have the benefit
14 of their thoughts and insights as we proceed to make
15 judgments about the key question, which is what
16 should we require in terms of permitting progress
17 before we issue even a conditional license. And I
18 think that's really the hub of a whole series of
19 important questions.

20 CHAIRMAN CROSBY: Yes, there are a lot
21 of consequence questions too. One thing that
22 Ombudsman Ziemba points out is that as a practical
23 matter, a lot of people couldn't get very far down
24 the process even if they tried even if we required

1 it.

2 And I think we have been clear that we
3 are not going to overly penalize people for being
4 late to the party. We want latecomers and early
5 comers to have a shot. But that does raise the issue
6 of material changes between what ultimately gets
7 approved and what was in the HCA, what was in the
8 referendum. We have never dealt with what we will
9 do under those circumstances.

10 We'll get there. We don't have to have
11 dealt with it yet, but that's part of that big wheel
12 with many spokes, I think. It's a pretty
13 complicated puzzle.

14 COMMISSIONER MCHUGH: And it probably
15 is not a good use of private or public resources to
16 get beyond a certain point in the permitting process
17 until the applicant knows that he or she is going
18 to get a license.

19 On the other hand, the license is
20 dependent to some extent on the feasibility and
21 realistic.

22 So, we're in a classic chicken and egg
23 situation. And happily the various permitting
24 agencies throughout the state are fully engaged in

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1 a collaborative process to the extent that the
2 statutes allow them.

3 So, how to make that interconnection
4 work as smoothly as possible to speed these things
5 along with appropriate safeguards for the statutory
6 interests is the challenge that is posed by this
7 memorandum. And that's why I think we probably all
8 agree it's so important to talk about and to get
9 public input about.

10 CHAIRMAN CROSBY: Right. Yes. And I
11 think John will shift -- He'll naturally shift into
12 the role of being the facilitator of first proposers
13 and then licensees, conditional licensees. He has
14 a good background for that.

15 But still, I think, having us oversee
16 that is something you've been concerned about right
17 from the very beginning, and trying to make sure
18 we've got management tools that facilitate it. All
19 of the state agencies, as you say, are very, very
20 proactively supportive. They want to make this
21 happened.

22 The Governor's made it a priority to
23 get the licensees up and running as quickly as
24 possible. So, all of the best intentions will be

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1 there but we know what the road to hell is paved with
2 and getting it, the process really right will be
3 important. So, that's a good point.

4 Okay. That's it, I think, for public
5 education and information. We have no other forums
6 or anything coming up. Item number eight,
7 Charitable Gaming, Commissioner McHugh?

8 COMMISSIONER MCHUGH: Colleagues, let
9 me put this in context. Todd Grossman, who is our
10 associate counsel, would you just take a seat at the
11 table? There may be some things that I miss.
12 You've been working diligently on the execution of
13 this as well. So, let me try to run through it, and
14 jump in if I skip anything here.

15 But to put this in context, you will
16 recall that Section 4 of Chapter 23K of the Expanded
17 Gaming -- which is the Expanded Gaming Legislation
18 gave us control, some authority over Charitable
19 Gaming effective July 31, 2012. The legislation
20 also required us to take a look at existing
21 Charitable Gaming statutes and make recommendations
22 as to changes, and to file a report with the
23 Legislature. We did that.

24 We looked at the Charitable Gaming

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1 Legislation. We filed a report after consultation
2 with the Attorney General's office, which has some
3 role in regulating Charitable Gaming and the
4 Lottery, which has another role in Charitable
5 Gaming.

6 And that report which the Commission
7 approved recommended that all of the Charitable
8 Gaming regulation be transferred to the Lottery with
9 continuing supervision over charities as a whole by
10 the Attorney General's office. The Lottery, the
11 Treasury, the Attorney General and we all agreed to
12 that.

13 And in the report we said that we would
14 file by year's end legislation designed to do that.
15 What's before you now is that legislation.

16 And the legislation basically does a
17 couple of things in broad scheme. It first of all,
18 seeks would if enacted repeal the portion of the
19 General Laws, Chapter 23K Section 4 that gives us
20 authority over Charitable Gaming. That statute
21 gave us authority over a very narrow segment of
22 Charitable Gaming and did it in the context of
23 overlapping jurisdiction over the same subject by
24 others.

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1 So, in order to transfer and
2 consolidate Charitable Gaming with the Treasury and
3 with the Lottery -- with the Lottery, I should say
4 that section is repealed.

5 A second repeal is a segment of the
6 legislation that regulates Beano that gives Beano
7 licensees a particular route to running a lottery
8 or a Monte Carlo night, which is statutorily a
9 bazaar. There's a special section that gives them
10 a route to doing that. That section also it would
11 be repealed by this legislation because now they
12 like everybody else would be subject to a general
13 mechanism for getting permission to run a lottery
14 or run a bazaar/Monte Carlo night.

15 The rest of what's before you is a
16 modification of the basic Charitable Gaming
17 statute, which is General Laws Chapter 271 section
18 7A. And that section has been modified to deal with
19 basically three topics. The modifications from
20 existing law are highlighted in the document that's
21 before you.

22 But there are basically three major
23 themes that those modifications embrace. The first
24 is simply making things more clear. The statute,

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1 and Counsel Grossman has taken the existing statute,
2 which doesn't have any subsections and is one long
3 sort of Jack Kerouacian explanation of how you get
4 through this. And he has broken it into subsections
5 so that people can go to various places and
6 communicate parts to others. And then some other
7 clarifying language has been added.

8 The second theme is to correct some
9 problems and issues that have grown up and that
10 either the Lottery or the Attorney General's office
11 had noticed. An example of that is in the very first
12 section 7A which now authorizes explicitly
13 so-called 50/50 raffles.

14 The are raffles in which the winner of
15 the raffle gets 50 percent of the total pool that
16 was accumulated by the raffle. There is, because
17 of a variety of pieces of legislation, some doubt
18 as to whether that heretofore had been legal. It's
19 widespread. It happens all of the time. And none
20 of the people responsible for regulating Charitable
21 Gaming think that there's any problem with it. So,
22 this explicitly authorizes what is in fact a
23 widespread process. And there are some other
24 places where that is done.

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1 The third theme is consolidation in the
2 Lottery and the Attorney General's office of the
3 functions that a Charitable Gaming operator must
4 perform. The Charitable Gaming operator must be
5 registered as a charity with the public charities
6 division of the Attorney General's office.

7 The charity bazaar night must be run by
8 members of the organization not people who come in
9 and run it for the charity. The charity must file
10 a tax return giving the appropriate amount of money
11 to the Lottery. They were always required to do
12 that. That's not a change but now it's made
13 explicit in this statute.

14 So, the statutory changes in that
15 regard define and emphasize the functions now
16 assigned to the applicant vis-à-vis the Attorney
17 General's public charities division and the Lottery
18 and make that much clearer than it had been in the
19 past.

20 And I suppose there is a fourth theme,
21 although it's a minor theme because it is not really
22 a significant problem although it does crop up from
23 time to time, and that is an increase in the
24 penalties for running an unauthorized lottery or

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1 Monte Carlo night or bazaar. And those penalties
2 have in this legislation been increased. So,
3 that's the theme.

4 The proposal now would be to discuss it
5 if there are any questions and then to vote on its
6 adoption. To file it with a short letter to the
7 legislative leadership, to the same people we
8 addressed the last one to and then to seek to have
9 it introduced in the Legislature and move forward.

10 There is one area here that is not in
11 this legislation for a variety of reasons but may
12 still require some work. And that can be done after
13 the legislation is filed. And that is a request by
14 at least some city and town clerks that we noted in
15 our report to the Legislature that small lotteries,
16 lotteries under a certain amount of money be
17 exempted almost entirely from this regulation with
18 the exception of the need to pay taxes on the yield.

19 That is something on which there was a
20 difference of opinion slightly among the three
21 groups, the A.G., the Treasury, the Lottery and us.
22 And that more work perhaps will yield a consensus
23 and the legislation can be changed before it is
24 finally put up to a vote.

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1 So, that now is a summary of what's in
2 front of us. Is there anything you'd like to add?

3 MR. GROSSMAN: No, I think that covers
4 it.

5 COMMISSIONER MCHUGH: So, questions
6 or discussion or however you choose to proceed, Mr.
7 Chairman.

8 COMMISSIONER ZUNIGA: I have a
9 question or maybe a comment, if you will. By
10 bazaars, as you point out, this are what's normally
11 the Vegas night or the Monte Carlo night that have
12 some popularity in recent times. And I was
13 wondering if that definition ought not to have some
14 games associated with that or more of an explanation
15 of what may include -- be included in the bazaar.
16 Because the way the definition reads at least to me
17 is it's only a place as opposed to the kind of
18 activity that would take place there.

19 On a related note, I was wondering if
20 at the disposal -- or it reads that for disposal by
21 games of chance, chance or skill would be a relevant
22 addition in the context of how there's recent
23 decisions by some -- I'm going to forget the judge
24 that has in other state determined that poker was

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1 in fact a game of skill, not a game of chance.

2 So anyways, in the context of poker
3 nights I was just wondering if we could be a little
4 bit more prescriptive in terms of that definition
5 of bazaar.

6 COMMISSIONER MCHUGH: Well, if it's a
7 game of skill, it's not gambling because the
8 definition of gambling is a price for a chance for
9 a prize. All three elements have to coalesce. So,
10 if one of those is missing, if skill replaces chance
11 you don't have gambling. So, it's not regulable
12 under this kind of a regime or any other gambling
13 regime. You start with that premise and that's how
14 you move to regulation of gambling.

15 Insofar as bazaar is concerned, I guess
16 the only response I would have is that this term has
17 been in place and has acquired a meaning among those
18 who do this kind of thing for about 40 years. And
19 there's no reason we can't change it, but going into
20 it the idea was we change as little as necessary
21 because at all levels of government that are
22 involved in this from the Department of Public
23 Safety to the Treasury to the Attorney General down
24 to the town clerks and the police officers who are

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1 actually doing the enforcement, it's understood
2 what this is.

3 These are the Monte Carlo nights with
4 the roulette wheels and the craps tables and those
5 things that have a fixed prize as opposed to a
6 contest against a pool or a contest against the
7 house. You are playing for a fixed price and that's
8 really what this was designed to do.

9 So, we could go back to the group and
10 propose a change if the Commission feels strongly
11 about it, but that's the reason.

12 COMMISSIONER ZUNIGA: The question
13 really is then under this -- under the way this is
14 drafted, could somebody conduct a poker tournament,
15 could a charity conduct a poker tournament, invite
16 people to ante up an entrance fee? Would that
17 activity be regulated or not perhaps is my
18 fundamental question under this?

19 COMMISSIONER MCHUGH: It would be
20 regulated. There are regulations. Under this
21 definition of bazaar, the prizes can only be
22 merchandise or a cash award of not more than \$100.
23 And the way these things work is people accumulate
24 chips or credits and they get a prize. The prize

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1 isn't dependent on the odds in the usual sense. The
2 prizes are based on limitations and the chips and
3 regulations promulgated by the Attorney General and
4 by the Lottery that will now be promulgated by the
5 Lottery and they will be the same.

6 So, that the way that the prizes are
7 awarded for games of chance is dependent on the
8 regulations that show how the credits are
9 accumulated toward a prize that can be no more than
10 \$100.

11 So, that's the way that is handled.
12 But I suppose that a poker night could be done so
13 long as those conditions are met.

14 CHAIRMAN CROSBY: Your point is that
15 it wouldn't be covered.

16 COMMISSIONER ZUNIGA: Yes, my fear --

17 CHAIRMAN CROSBY: Does it matter that
18 we're not covering poker nights?

19 COMMISSIONER MCHUGH: Well, I'm not
20 sure that we aren't covering poker nights as long
21 as there is a charitable purpose and they otherwise
22 conform to the regulations.

23 MR. GROSSMAN: I think this language
24 has historically covered poker nights. I think

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1 it's an interesting case you reference. Someone
2 would have to come in and argue, hey, I can just do
3 this because it's a game of skill, but that's
4 something that they would have to undertake.

5 COMMISSIONER ZUNIGA: They risk some
6 of the penalties, obviously.

7 MR. GROSSMAN: They risk the penalties
8 and whether it's worth it, I guess, is up to them.

9 CHAIRMAN CROSBY: I didn't think of
10 this until Commissioner Zuniga brought it up. I
11 didn't understand what bazaar referred to, because
12 I've never done that. I didn't know it had a meaning
13 in a certain environment.

14 Whether the fact that it has a meaning
15 in a certain environment, which is not accessible
16 to a regular person or not is a judgment, I guess,
17 somebody else is going to have -- whether that
18 matters, somebody else is going to have to make a
19 judgment. I couldn't read this and have any idea
20 what is being described. But I don't know whether
21 that matters or not.

22 COMMISSIONER ZUNIGA: My other
23 question was whether -- And I understand the point
24 of the historical context and the meaning that it

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1 has acquired through the years. -- but whether it's
2 incumbent upon anybody to define the games, to
3 distinguish between roulette and black jack,
4 perhaps that have certain odds everybody
5 understands, etc. or poker because -- a poker
6 tournament, because that's perhaps a different kind
7 of game. Where at least different -- the opinions
8 may differ as to whether that involves more skill.

9 This was again a rhetorical question as
10 to whether it's incumbent upon us or anybody to try
11 to define those games that may take place in a
12 bazaar. I know it's not necessarily the route that
13 this was envisioned to go, but I'm coming from what
14 could potentially, hopefully not, be a competing
15 activity, if you will, with the casinos that we are
16 going to regulate.

17 COMMISSIONER MCHUGH: Well, if the
18 Commission feels strongly about that, we can
19 certainly table this and do some further research.
20 My sense is that as I think about it now, frankly
21 because I had a view of the Monte Carlo nights in
22 the context in which they historically been carried
23 out, my sense is that poker is a game played against
24 a pool as opposed to a game played against the house.

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1 And that it likely is therefore prohibited by the
2 statutes that gave rise to the problem with respect
3 to the 50/50 raffle.

4 But we can do some further research on
5 that and postpone this for further discussion at
6 some future point while we do that research to make
7 sure that poker is whatever we want to do with poker.
8 And see whether or not poker could be done in one
9 of these charitable bazaars.

10 COMMISSIONER ZUNIGA: I'm even
11 thinking out loud on that note, I wonder as part of
12 this research we could also research whether we have
13 or should exercise an authority by regulation --
14 whether we have that authority, first of all, to
15 issue clarifying regulations towards that activity.

16 COMMISSIONER MCHUGH: The whole
17 purpose of this is to transfer regulatory authority
18 to somebody else.

19 CHAIRMAN CROSBY: We are out of the
20 business.

21 COMMISSIONER MCHUGH: And I would be
22 loath to just keep our finger in the pool.

23 COMMISSIONER ZUNIGA: Perhaps I
24 mischaracterized it. If it's not covered under --

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1 If an activity like poker is not covered under
2 Charitable Gaming, because that's all understood by
3 all the parties, does it then fall under the purview
4 of this Commission? I'm just asking a rhetorical
5 question perhaps.

6 COMMISSIONER CAMERON: Are you
7 speaking of poker at an event like this?

8 COMMISSIONER ZUNIGA: Or at any other
9 event.

10 COMMISSIONER MCHUGH: We regulate
11 casinos and slots parlors. And to the extent that
12 somebody is running a craps game in a back alley or
13 a basement, we don't have regulatory authority over
14 them. That is part of the criminal law process.
15 So, I'm not sure we'd want to be regulating,
16 issuing regulations about criminal enterprises.
17 So, I think that part is covered.

18 COMMISSIONER ZUNIGA: Is covered.

19 COMMISSIONER MCHUGH: Yes. But we
20 certainly, if the Commission is disposed to do so,
21 do further checking on poker in bazaars and come back
22 with certainty as to whether that is permissible or
23 not. My sense is, as I said, that it's not.

24 CHAIRMAN CROSBY: Is there some other

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1 section -- what this does is defines two kinds of
2 activities and then says under certain
3 circumstances you may do them.

4 COMMISSIONER MCHUGH: Right.

5 CHAIRMAN CROSBY: What if you had a
6 bazaar that had cash awards in excess of \$100? Is
7 there someplace that says you can't do that?

8 COMMISSIONER MCHUGH: Yes, the
9 General Gambling laws say you can't do it.

10 CHAIRMAN CROSBY: So, this is fitting
11 under someplace else that says you can't gamble, but
12 under these conditions you can.

13 COMMISSIONER MCHUGH: Yes. And I
14 think that's important to understand that this is
15 an exception to the general prohibition against
16 gambling in Massachusetts. Indeed, the whole
17 casino law is an exception to the general
18 prohibition against gambling in Massachusetts.
19 So, that's how this has to be read.

20 CHAIRMAN CROSBY: Okay.

21 COMMISSIONER ZUNIGA: I had another
22 sort of question too, can an organization conduct
23 more than three raffles, subsection B2 here talks
24 about bazaars.

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1 COMMISSIONER MCHUGH: Right.

2 COMMISSIONER ZUNIGA: They can
3 conduct any number of raffles and that's intended?

4 COMMISSIONER MCHUGH: That's
5 intentional. That's historically been so. And I
6 can think of a number of sporting events to which
7 one goes and there's a raffle every night. And
8 that's done under the permit that they have. They
9 have to file. And they have to pay taxes on it. The
10 permit is good for a year and they can conduct any
11 number of raffles they want.

12 CHAIRMAN CROSBY: Okay.

13 COMMISSIONER STEBBINS: Just a quick
14 question, clarification. We reference on page four
15 the Commission on Public Safety. I'm assuming
16 that's the State Secretary of Public Safety?

17 MR. GROSSMAN: No. It's the
18 Department of Public Safety under the Secretariat.

19 CHAIRMAN CROSBY: I don't want to make
20 a mountain out of a molehill. Maybe what we would
21 do, if it's okay with you, would be to go ahead and
22 accept this as written, but ask you to ask the little
23 working group two questions. One is is this
24 definition of bazaar sufficient to do the trick -

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1 A. And B - does it cover poker games?

2 And if your working group thinks this
3 is a big enough deal to edit the language, then we
4 would defer that judgment to them. Does that make
5 sense?

6 COMMISSIONER ZUNIGA: That makes
7 total sense.

8 COMMISSIONER MCHUGH: That's a way to
9 move this forward and still preserve the concerns
10 that were expressed here today. So, I think that's
11 an appropriate way to do it and we'll do that.

12 COMMISSIONER STEBBINS: Just one
13 other kind of quick one, correction. I saw it on
14 page three under G, if the clerk so determines he
15 shall forward the application. Should we just make
16 a clarification of he/she?

17 COMMISSIONER MCHUGH: Yes.

18 COMMISSIONER STEBBINS: And further
19 down we also talk about the chief of police.

20 COMMISSIONER MCHUGH: And uses the
21 masculine pronoun as well?

22 COMMISSIONER STEBBINS: The feminine
23 pronoun as well is what we're missing.

24 COMMISSIONER MCHUGH: As written it

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1 just uses the masculine. Alright, that's a good
2 catch.

3 CHAIRMAN CROSBY: Same is in little-i
4 too for that matter.

5 COMMISSIONER MCHUGH: We'll go
6 through that and make sure we've done that. That's
7 important and we should do that.

8 CHAIRMAN CROSBY: Okay. Anything
9 else? Do you want to move the action as described.

10 COMMISSIONER MCHUGH: So, I move then
11 that Mr. Chairman that the Commission approve the
12 language of the draft Charitable Gaming Legislation
13 that is before us with the exception of Section 7,
14 the definition of bazaar in Section 7A pending
15 further consideration by the Attorney General's
16 office and the Lottery and with the thoughts
17 expressed here today, and pending an alteration of
18 the language as necessary to ensure that all of the
19 pronouns are gender-neutral and that the
20 legislation so approved be forwarded to the
21 appropriate legislative leadership.

22 COMMISSIONER STEBBINS: Second.

23 CHAIRMAN CROSBY: Any further
24 discussion? All in favor, aye.

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1 COMMISSIONER ZUNIGA: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER MCHUGH: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes
6 have it. Okay. Item number nine, Attorney
7 Grossman, the practice of law by out-of-state
8 attorneys.

9 MR. GROSSMAN: I've included a memo on
10 this issue in your packet. In a nutshell, the rules
11 require that anyone who practices law before this
12 body be a member of the Massachusetts bar unless they
13 petition the Commission for leave to practice.

14 In doing so, they would have to
15 demonstrate three things as I have outlined here and
16 as is outlined in Section 107.02 of the regulations.
17 They have to show that they are a member of a bar
18 in good standing in all of the jurisdictions for
19 which they are admitted.

20 That there are no disciplinary
21 proceedings pending against them in any of those
22 jurisdictions. And three that they have read and
23 are familiar with our governing laws Chapter 23K and
24 205 CMR.

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1 Their petition then has to be presented
2 by a member of the Massachusetts bar who themself
3 is in good standing, who then basically assumes a
4 number of obligations. First, that they will
5 represent the client concurrently with that
6 out-of-state attorney. That they will appear of
7 record in the particular matter with the
8 out-of-state attorney. That they will be
9 responsible for the conduct ultimately of the
10 out-of-state attorney. And that they agree to
11 co-sign, basically, all documents submitted on
12 behalf of the client to the Commission.

13 And if those conditions are all met,
14 then the regulations provide that an out-of-state
15 attorney can practice before the board.

16 So, as we're moving forward, we've
17 actually received two petitions already. And my
18 recommendation to you where this is largely a
19 ministerial type process, it's largely practiced in
20 the courts of the Commonwealth and across the nation
21 really, it's called pro hoc vice. Where we as a
22 reciprocity type petition that you just allow the
23 legal staff of the Commission to review these
24 applications and approve them assuming that they

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1 meet all of the requirements of the regulations and
2 issue the according notice to the petitioners.

3 In doing so, we will just check to make
4 sure that the sponsoring attorney, if you will, from
5 Massachusetts is in good standing with the
6 Massachusetts bar. And to the extent there are any
7 issues, we will bring them before you. But I think
8 that will satisfy the requirements of the regulation
9 and the concerns of the Commission in including this
10 provision in the regulations.

11 CHAIRMAN CROSBY: Building your
12 empire already.

13 MR. GROSSMAN: Trying to add onto
14 everything.

15 CHAIRMAN CROSBY: Any discussion?

16 COMMISSIONER MCHUGH: This is a
17 thoughtful approach to this issue, which will arise.
18 It's modeled on the way the courts do it. And it's
19 a thoughtful approach to a continuing issue.

20 COMMISSIONER CAMERON: I think the
21 timing is very good. Also, I've been asked this
22 particular question and frankly told them that I
23 would get back to them on this matter. So, I
24 appreciate you taking a look and having an answer

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1 for us.

2 And I assume this would apply to the
3 Racing Division as well?

4 MR. GROSSMAN: I think so, yes.

5 COMMISSIONER CAMERON: Okay.

6 Because we have had instances where out-of-state
7 attorneys have wanted to represent. So, we'll have
8 to make that clear.

9 MR. GROSSMAN: Right. Most attorneys
10 are aware of the general process. The only
11 difference between this and the pro hoc vice process
12 is the lack of a fee here. You have to actually pay
13 the Massachusetts Board of Bar of Overseers to do
14 it in the courts. You don't have to do that here.
15 Otherwise, I think it's nearly identical.

16 CHAIRMAN CROSBY: Why would we not
17 charge whatever the fee is?

18 MR. GROSSMAN: I think we could, it
19 just wasn't included in the regulations.

20 CHAIRMAN CROSBY: Okay.

21 COMMISSIONER MCHUGH: I think that's a
22 decision we made without much thought. The revenue
23 stream that would be generated by a fee would be
24 inconsequential and it's a burden. I think that's

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1 why we didn't put it in the regs.

2 CHAIRMAN CROSBY: Right. Do we need
3 to vote on this?

4 COMMISSIONER MCHUGH: Yes, I think we
5 should because the regs. talk about things and we
6 are delegating authority. So, I would move that the
7 recommendation made by Counsel for admitting
8 lawyers from other jurisdictions to practice before
9 the Commission be adopted.

10 COMMISSIONER STEBBINS: Second.

11 CHAIRMAN CROSBY: Any further
12 discussion? All in favor, aye.

13 COMMISSIONER STEBBINS: Aye.

14 COMMISSIONER ZUNIGA: Aye.

15 COMMISSIONER CAMERON: Aye.

16 COMMISSIONER MCHUGH: Aye.

17 CHAIRMAN CROSBY: Opposed? The ayes
18 have it.

19 MR. GROSSMAN: Thank you.

20 CHAIRMAN CROSBY: Okay. Our quick
21 meeting, our New Year's resolution, no long
22 meetings. Do we have a motion to adjourn?

23 COMMISSIONER MCHUGH: Mr. Chairman,
24 is it worth saying, I think we have designated

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1 Thursdays at this time to be the new time as opposed
2 to Tuesdays for these meetings going forward.

3 CHAIRMAN CROSBY: Right. I know it
4 impacted the life schedules of a number of people
5 who had had Tuesdays scheduled throughout the year.
6 So, I know the word is out there. So, yes, our
7 meetings will now routinely be Thursdays for as long
8 as we think we continue to need regular weekly
9 meetings. All right. Motion to adjourn?

10 COMMISSIONER MCHUGH: So moved.

11 CHAIRMAN CROSBY: All in favor, aye.

12 COMMISSIONER STEBBINS: Aye.

13 COMMISSIONER ZUNIGA: Aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER MCHUGH: Aye.

16 CHAIRMAN CROSBY: Thank you.

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18 (Meeting adjourned at 2:08 p.m.)

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1 ATTACHMENTS:

- 2 1. Agenda
- 3 2. Massachusetts Gaming Commission December
- 4 18, 2012 meeting minutes
- 5 3. Commonwealth of Massachusetts Office of the
- 6 State Auditor Official Audit Report - State
- 7 Racing Commission
- 8 4. Key Policy Question 12 Analysis
- 9 5. Charitable Gaming Legislation
- 10 6. Memorandum January 3, 2013 Regarding
- 11 Practice of law before the Commission

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13 SPEAKERS:

14 Dr. Durenberger, Director of Racing

15 Todd Grossman, Staff Attorney

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C E R T I F I C A T E

I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

WITNESS MY HAND this 4th day of January, 2013



LAURIE J. JORDAN

My Commission expires:

Notary Public

May 11, 2018

