

1 COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 PUBLIC MEETING #236
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6 CHAIRMAN

7 Stephen P. Crosby
8

9 COMMISSIONERS

10 Lloyd Macdonald

11 Enrique Zuniga

12 Bruce Stebbins

13 Gayle Cameron
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17 MASSACHUSETTS GAMING COMMISSION

18 101 Federal Street, 12th Floor

19 Boston, Massachusetts

20 February 22, 2018

21 1:00 p.m. - 2:40 p.m.
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P R O C E E D I N G S

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3 CHAIRMAN CROSBY: We're calling to
4 order Public Meeting Number 236 of the
5 Massachusetts Gaming Commission on
6 February 22nd at our offices in Boston.
7 First item on the agenda as usual is the
8 minutes. Commissioner Macdonald.

9 COMMISSIONER MACDONALD: Thank you,
10 Mr. Chairman. I move that we approve the
11 minutes of our meeting on January 31, 2018
12 as they appear in the packet subject to
13 correction for typographical errors and
14 other nonmaterial matters.

15 CHAIRMAN CROSBY: Do I have a
16 second?

17 COMMISSIONER CAMERON: Second.

18 CHAIRMAN CROSBY: Any discussion?
19 All in favor?

20 COMMISSIONER MACDONALD: Aye.

21 COMMISSIONER CAMERON: Aye.

22 COMMISSIONER ZUNIGA: Aye.

23 COMMISSIONER STEBBINS: Aye.

24 CHAIRMAN CROSBY: Opposed? The ayes

1 have it unanimously.

2 COMMISSIONER MACDONALD: And I
3 further move that we approve the minutes of
4 the meeting of February 7th of 2018 also
5 subject to correction for typographical
6 errors and other nonmaterial matters.

7 CHAIRMAN CROSBY: Second?

8 COMMISSONER CAMERON: Second.

9 COMMISSIONER STEBBINS: Second.

10 Just a note on the top of page two where we
11 reference our CFAO and Agnes, I know we
12 talked about this a couple of times making
13 sure that we try to be consistent and
14 professional and keep a person's job title
15 kind of in front of their name as we
16 consistently do in other cases of -- in
17 other parts of other meeting minutes.

18 COMMISSONER CAMERON: So we'd want
19 that for both of those individuals.

20 COMMISSIONER STEBBINS: Yes.

21 MS. BLUE: We'll make that
22 correction.

23 CHAIRMAN CROSBY: Anything else?

24 COMMISSIONER MACDONALD: So amended.

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CHAIRMAN CROSBY: As amended all in favor? Aye.

COMMISSONER CAMERON: Aye.

COMMISSIONER MACDONALD: Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Opposed? The ayes have it unanimously. Next up is the Investigations and Enforcement Bureau represented today by Loretta Lillios, the deputy director of the IEB and enforcement counsel, chief enforcement counsel.

MS. LILLIOS: Good afternoon, Mr. Chair and Commissioners.

COMMISSIONER ZUNIGA: Good afternoon.

COMMISSONER CAMERON: Good afternoon.

COMMISSIONER MACDONALD: Good afternoon.

COMMISSIONER STEBBINS: Good afternoon.

MS. LILLIOS: The first item we have is the suitability of an MGM qualifier for

1 your consideration this afternoon, and that
2 individual is Mr. Scott Howard. He's the
3 senior vice president and security
4 information officer for MGM Resorts
5 International. You've already seen the
6 investigative report, and I'll give a brief
7 summary now.

8 Mr. Howard joined MGM in 2015. It's
9 his first position in the gaming industry.
10 The IEB designated him as a qualifier in
11 May of 2017. In the period between him
12 joining the company in 2015 and his
13 designation as a qualifier in 2017, MGM was
14 in the process of putting its shared
15 services model into place.

16 During this period Mr. Syed
17 Espihani, MGM's chief information officer
18 who was qualified in June of 2014, oversaw
19 the IT security function. Later the
20 positions were split, and Mr. Howard now
21 reports to the chief operating officer
22 Corey Sanders, who is also a qualifier.

23 Mr. Howard submitted all of the
24 required forms and requests for additional

1 and updated information. He was
2 interviewed by videoconference by the
3 investigators, Sergeant Michael Banks from
4 the state police and financial investigator
5 Susan LaRosa. He cooperated and was
6 forthcoming in all respects.

7 As with the other suitability
8 investigations the IEB conducts, we
9 verified his identity, confirmed his
10 financial stability and integrity, reviewed
11 litigation history and searched for criminal
12 records.

13 Mr. Howard is responsible at the
14 executive level for personnel and
15 operations of the information services, the
16 information security, security information,
17 security policy and awareness departments.

18 He supervises teams that monitor
19 security tools, conduct analysis of
20 security information threats and conducts
21 Cyber security investigations. He also
22 supervises the team which oversees the
23 architecture of new gaming and solutions to
24 ensure that they are secure.

1 He is a graduate from the University
2 of Texas with a degree in physics. He
3 worked for several small companies as a
4 systems engineer and then as a chief
5 information officer at Benefit Mall in
6 Dallas, Texas before joining MGM.

7 In addition to Massachusetts, he
8 submitted gaming applications in Maryland,
9 New Jersey and Nevada. The Nevada Gaming
10 Control Board and the Maryland Lottery and
11 Gaming Control Commission reported that his
12 licenses are active and in good standing
13 with no derogatory information. He is
14 still pending in -- by the New Jersey
15 Casino Control Commission.

16 Mr. Howard is active in two
17 professional associations. He's a member
18 of the Board of Directors of the Retail
19 Cyber Intelligence Sharing Center, a group
20 for Cyber security professionals to share
21 knowledge in the Cyber security field. He
22 does not receive compensation for that
23 role. He's also a commissioner on the
24 Nevada commission on Homeland Security

1 Cyber Security Committee where he also
2 serves as a volunteer in this committee,
3 which is made up of both public and private
4 sector stakeholders as well as the college
5 and university community makes
6 recommendations to the Nevada Homeland
7 Security Commission on Cyber security
8 issues.

9 Mr. Howard has demonstrated to the
10 IEB by clear and convincing evidence that
11 he is suitable, and the IEB recommends that
12 the Commission vote to find him suitable as
13 a qualifier for MGM Springfield.

14 CHAIRMAN CROSBY: Comments?

15 COMMISSONER CAMERON: Well, I think
16 it's -- first of all, it's a very clean
17 report and so I agree with the
18 recommendation. But, secondly, it's a
19 really important position. I found it
20 interesting that they do a public/private
21 partnership in Nevada, frankly, because
22 that's not something that I'm well aware of
23 those two groups sharing information to
24 have the best possible outcome from the

1 state. So that's just an aside when I read
2 that.

3 But, again, very clean
4 investigation, no issues whatsoever, and I
5 would move that we approve Mr. Howard the
6 senior vice president of security
7 information officer for MGM.

8 CHAIRMAN CROSBY: Second?

9 COMMISSIONER MACDONALD: Second.

10 CHAIRMAN CROSBY: Any other
11 discussion, any other comments? All in
12 favor? Aye.

13 COMMISSIONER CAMERON: Aye.

14 COMMISSIONER MACDONALD: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

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

19 MS. LILLIOS: Thank you. So the
20 next item on the agenda is listed as a Wynn
21 update, and I'd like to give an update on
22 the status of the investigation into Wynn's
23 ongoing suitability, and that status is
24 that the IEB's investigation is underway.

1 It is an active investigation, and it is a
2 priority.

3 I can report that the IEB currently
4 has adequate resources to conduct this
5 investigation and also to meet its other
6 responsibilities; in particular, for the
7 opening of MGM Springfield and the ongoing
8 monitoring of Plainridge.

9 We understand that there is the
10 ability to access additional resources as
11 necessary. We're actively evaluating
12 future needs, but presently we are okay.
13 I'm sure you understand that the IEB does
14 not intend to provide the Commission or the
15 public with the details of this
16 investigation until it is completed.

17 This sort of confidentiality and
18 active investigations is, as you know, a
19 common practice. It was the IEB's practice
20 with the initial investigations into the
21 suitability of applicants for gaming
22 licenses, and it's important that the
23 practice be maintained now.

24 The Commission is the ultimate

1 arbiter on matters affecting the gaming
2 license. The five of you are the
3 decision-makers regarding the gaming
4 license. When the IEB concludes the
5 investigation, which I can assure you is a
6 priority, you can expect that the IEB will
7 present the evidence and any
8 recommendations to you.

9 To maintain the integrity of the
10 investigation, it's crucial that the IEB
11 conduct it independently. The Commission
12 will need to wait until the investigation
13 is completed, and the evidence is presented
14 so that all five of you are working from
15 the same set of evidence.

16 An independent investigation will
17 ensure that the Commission can maintain its
18 impartiality so that you can carry out your
19 decision-making function at the appropriate
20 time in a fair and unbiased manner.

21 It's understandable that you may be
22 interested in detailed updates of activity
23 or progress, but we all need to keep our
24 eye on the greatest interest here, which is

1 the public interest and the integrity of
2 the process. And I know that we're all
3 committed to conducting the investigation
4 in a way that ensures public confidence and
5 the integrity of the process.

6 CHAIRMAN CROSBY: Any thoughts on
7 that?

8 COMMISSONER CAMERON: I thought your
9 first point was where you say "it's best
10 practice," it's really best practice not to
11 update publically because it would -- it
12 really would affect the outcome in the
13 investigation. It will reveal what your
14 investigative strategies and methods are,
15 frankly, they would be much less effective.
16 So I think that's just important to note.
17 And, certainly, I understand and agree with
18 that, with what you're doing.

19 So we will -- we certainly trust the
20 team and know that you'll present us with a
21 final product when you are completed with
22 the investigation. So I just wanted to
23 make note that that's why it's the best
24 practice. It's really a very important

1 reason for that.

2 CHAIRMAN CROSBY: And just to
3 elaborate on that point, you made a point.
4 Commissioner Cameron is a very experienced
5 law enforcement official and a very
6 experienced investigator. And when this
7 began back, I think, at the end of last
8 month, you made a point of talking about
9 there needs to be the time to do this
10 methodically and thoroughly. There was
11 obviously tremendous interest. We have
12 tremendous interest, the public has
13 tremendous interest, and there is a
14 legitimate purpose to do this as quickly as
15 we can.

16 But, I think, part of our job here
17 is to give you the space and the time to do
18 this right. The stakes are very big. The
19 issues are very big, a lot of people are
20 involved. And we need to make sure that
21 when we finally come to a decision-making
22 process or processes, that you have had the
23 time and space to do this absolutely right.
24 So we encourage you to do it as quickly as

1 you can, and you will. But we will support
2 you in your need to take the time to do it
3 right. Anybody else?

4 COMMISSIONER ZUNIGA: Well, maybe
5 just to agree but also there is another
6 side of this, which is as part of this
7 process, the applicant or in this case the
8 licensee with applicants, will have the
9 ability to respond or clarify or whatnot as
10 part of the process. And that's also very
11 important for us to remain in the position
12 that we are and let the investigative team
13 continue with their process. Because the
14 licensee will be afforded the opportunity
15 to respond however they see fit if we ever
16 get to an adjudicatory hearing or something
17 similar. So, I think, it's also very
18 important in terms of respecting the rights
19 of the license holders as well.

20 CHAIRMAN CROSBY: Anybody else?
21 Okay.

22 MS. LILLIOS: So moving on, there is
23 another matter involving a contribution in
24 the amount of 2 million-dollars that was

1 made to the Republican Governors
2 Association in October of 2014 by Wynn
3 Resorts Limited. Recently, this office
4 received a letter from three democratic
5 candidates for Massachusetts governor
6 inquiring about Wynn's contribution to the
7 RGA that was made back in 2014.

8 That letter, which we received
9 earlier this month, suggested that the Wynn
10 donation may have improperly funneled
11 campaign contributions to then
12 gubernatorial candidate Baker and now
13 Governor Baker in violation of
14 Massachusetts law.

15 In light of that letter that we
16 received this month, Chairman Crosby and
17 the Executive Director asked me to report
18 on was the IEB aware of the contribution to
19 the RGA at the time in 2014, whether we
20 reviewed it and what were our conclusions.

21 The short answer is: Yes, the IEB
22 did look contemporaneously in 2014 at the
23 2 million-dollar contribution to the RGA.
24 We did look at whether it was a prohibited

1 political contribution. We worked in
2 conjunction with our legal division,
3 Catherine and Todd. We discussed this with
4 our gaming consultants, Michael and Carol.
5 We were in contact with the Massachusetts
6 Office of Campaign and Political Finance,
7 and we communicated with general counsel
8 for the Republican Governors Association.

9 Ultimately, we concluded that based
10 on the evidence that we reviewed, the
11 contribution did not run a fowl of
12 Massachusetts law. I'd like to briefly set
13 out a time line for you to review of what
14 we looked at in 2014.

15 On September 17th of 2014, the
16 Commission made the determination to award
17 the Region A gaming license to Wynn Mass.,
18 LLC. Two weeks later on October 1st of
19 2014, Wynn made the 2 million-dollar
20 contribution to the RGA. This contribution
21 was a matter of public record, and I should
22 be clear that on this matter there were no
23 efforts by Wynn to conceal the
24 contribution.

1 That same day, October 1st 2014, the
2 RGA made a 1.1 million-dollar contribution
3 to the Commonwealth Future Independent
4 Expenditure Political Action Committee.
5 And on October 10th 2014, the RGA made
6 another 1.1 million-dollar contribution to
7 the Commonwealth Future PAC. This PAC paid
8 for ads supporting then Republican
9 candidate Baker. The current concern in
10 the letter is that, in essence, the Wynn
11 donation to the RGA funded the Baker
12 campaign. Our review did not find evidence
13 to support this.

14 There are two statutes at issue that
15 we reviewed in our analysis, and there is a
16 memo in your packet that follows these two
17 provisions. The first is Chapter 23K
18 Section 46, which is part of the gaming
19 law. That section prohibits applicants for
20 gaming licenses from making certain
21 political contributions.

22 The rational for that provision, I
23 think, is pretty obvious. It's that no
24 company or person while the application

1 process for a casino license is pending
2 should be permitted to influence or
3 potentially influence the award of the
4 license by making any political
5 contribution, and the Commission enforces
6 that provision in the gaming law.

7 As I stated earlier, the
8 contribution to the RGA was not made until
9 after the Commission determined to award
10 the license to Wynn, thus Wynn was no
11 longer an applicant on October 1st 2014.
12 The determination had been made by the
13 Commission, and the Commission had had its
14 final vote. So this restriction on
15 political contributions by gaming
16 applicants was no longer in effect with
17 respect to Wynn.

18 The second provision of law that is
19 applicable here is Chapter 55 Section 7AC.
20 This provision is part of the
21 Commonwealth's campaign finance law. It
22 applies to gaming licensees, and it
23 prohibits gaming licensees from making
24 political contributions in an aggregate

1 amount over \$200 to any one candidate or a
2 candidate's committee or any other
3 political committee that is subject to
4 Massachusetts law. And that provision in
5 Chapter 55 is enforced by the Office of
6 Campaign and Political Finance.

7 Under this law Wynn, as a gaming
8 licensee, would have been prohibited from
9 contributing to the Baker campaign or
10 contributing to the Commonwealth Future
11 PAC. The evidence that we reviewed did not
12 show that Wynn's contribution to the RGA
13 did either of these things. The RGA is
14 clearly not a candidate or candidate's
15 committee under Section 7A. And, also, the
16 RGA is not a political committee subject to
17 Massachusetts law under this statutory
18 scheme.

19 We learned that the RGA is a
20 nonprofit organization organized under
21 Section 527 of the Internal Revenue Code of
22 federal code. 527s, as they are known as,
23 generally work to actively influence
24 elections and policy debates but do not

1 generally advocate directly for the
2 election or defeat of specific candidates.

3 We learned from our independent
4 research and from our gaming consultants
5 that it is not unusual for gaming companies
6 to make contributions to national party
7 committees, both the RGA and the DGA, for
8 example, and that these organizations are
9 sophisticated multistate organizations.

10 It is true that the RGA made
11 2.2 million-dollars in donations to the
12 Commonwealth Future PAC within ten days of
13 the 2 million donation from Wynn to the
14 RGA. So it is understandable that someone
15 might speculate that the money was funneled
16 from Wynn to the RGA to the Commonwealth
17 Future PAC. And I put funneled in quotes.

18 However, the public record of
19 contributions shows that in the six and a
20 half month period between May 28, 2014 and
21 December 19, 2014, the RGA made 11 separate
22 contributions to the Commonwealth Future
23 PAC totaling over 10 million-dollars. Six
24 of them came before October 1, and four of

1 them came after October 1.

2 Also, general counsel for the RGA
3 informed us that the Wynn donation was
4 placed in an account that the RGA used for
5 general expenses, that the contribution was
6 not used for political candidates, and that
7 no funds from the Wynn contribution to the
8 RGA were distributed to the Commonwealth
9 Future PAC or to Governor Baker's campaign.
10 We credited these statements. The
11 information from the general counsel of the
12 RGA was consistent with our own research
13 and with the information provided to us by
14 our consultants.

15 The evidence of the substantial sums
16 that the RGA contributed to the
17 Commonwealth Future PAC in this time frame,
18 which were well in excess of Wynn's
19 donation to the RGA, taken in conjunction
20 with the common practices of the RGA with
21 respect to gaming funds and the
22 representations of the general counsel for
23 the RGA persuaded the IEB that the Wynn
24 donation to the RGA did not amount to a

1 prohibited contribution under Chapter 55.

2 I also note, as I noted in the memo,
3 that the IEB was in contact with the Office
4 of Campaign and Political Finance back in
5 2014 about this matter and that the OCPF,
6 which enforces Chapter 55, has not
7 initiated any adverse action against Wynn
8 under Section 7A of its statute.

9 So to be clear, during the period
10 when Wynn was an applicant, the IEB
11 confirmed that it made no prohibited
12 contributions under the gaming law. And so
13 that goes back to the period when it was an
14 applicant. We look during the application
15 period at what, if any, contributions are
16 made during the applicant period, and that
17 information is part of the Wynn suitability
18 report. So there were no prohibited
19 contributions during the period when Wynn
20 was an applicant.

21 And based on the information that we
22 reviewed back in 2014, I'm satisfied that
23 there was no contravention of Massachusetts
24 law and no lack of compliance based on the

1 information that we reviewed at that time.
2 Of course I understand that monitoring
3 political contributions by our licensees is
4 important, and it's especially important as
5 we enter a new election season.

6 And with that said, as we have said
7 many times before, suitability is ongoing.
8 And if additional details, additional
9 facts, additional evidence come to our
10 attention, we will pursue them
11 aggressively. Essentially, that is my
12 report to compliment the memo in your
13 packet about what we did back in 2014.

14 CHAIRMAN CROSBY: Comments?

15 COMMISSONER CAMERON: So the work
16 was done at the time that all of these
17 contributions were made, because you wanted
18 to make sure; is that correct?

19 MS. LILLIOS: That's correct.

20 COMMISSONER CAMERON: Wanted to make
21 sure that everything was legal. And this
22 new letter came to light, and what you did
23 now was review the work that was done then
24 and in doing that review, conducting that

1 review, nothing has changed, correct?

2 MS. LILLIOS: Based on the review of
3 the evidence as it stood then, we continue
4 to be satisfied with the conclusions that
5 we made.

6 COMMISSONER CAMERON: And you just
7 said, which I think is important, if you
8 received credible information that you did
9 not have in the past about an allegation of
10 distributed funds that may or may not have
11 been illegal, you would take a second look.

12 MS. LILLIOS: Absolutely, of course.

13 COMMISSONER CAMERON: Thank you.

14 CHAIRMAN CROSBY: Anybody else?

15 COMMISSIONER MACDONALD: Just to
16 follow-up from what Commissioner Cameron
17 said, perhaps stating it slightly a
18 different way, has anything come to the
19 IEB's attention since the initial
20 investigation was done in 2014 which in any
21 way affects the conclusions which the IEB
22 came to in 2014 in regards to this?

23 MS. LILLIOS: There has been no
24 additional information that has come to our

1 attention. But should any additional
2 information come to our attention, we would
3 pursue it.

4 COMMISSIONER MACDONALD: And in the
5 course of your investigation, did you
6 determine whether the RGA has any
7 particular policies with regard to
8 earmarking of contributions from
9 individuals or entities and subsequent
10 contributions to political action
11 committees?

12 MS. LILLIOS: It is our
13 understanding based on our research that
14 there is no earmarking to particular
15 candidates.

16 COMMISSIONER MACDONALD: When you
17 say "there is no earmarking," you
18 understand that they have a policy that
19 forbids that?

20 MS. LILLIOS: That's my
21 understanding, correct.

22 CHAIRMAN CROSBY: Anybody else?

23 COMMISSIONER ZUNIGA: And one of the
24 things that I just picked up as part of

1 this is that the contribution came from
2 Wynn Resorts, not from Mr. Wynn himself; is
3 that --

4 MS. LILLIOS: It came from Wynn
5 Resorts, which is a qualifying entity for
6 the Wynn Mass. license. And with that
7 designation, Wynn Resorts would still be
8 subject to the two statutes in question.

9 COMMISSONER CAMERON: Am I
10 remembering correctly that when you did the
11 initial work, and I think part of your
12 finding was over many, many years they've
13 made many contributions to both republican
14 and democratic organizations.

15 MS. LILLIOS: That is my
16 recollection as well.

17 CHAIRMAN CROSBY: This is sort of a
18 technicality, but it's clear that Wynn was
19 not an applicant when the contribution was
20 made. And for our purposes, that's by far
21 the biggest issue, that we were in that
22 sort of funny period between the time we
23 decided to make the award and the
24 referendum and maybe you could argue

1 whether they were a licensee or not, even
2 though they clearly were not an applicant,
3 what's your thinking on that; how did you
4 address that kind of --

5 MS. LILLIOS: You're correct --

6 CHAIRMAN CROSBY: Just for the
7 record, if they weren't a licensee, they
8 could do whatever they wanted. So this is
9 not a potential negative. It's just a
10 peculiarity in the fact.

11 MS. LILLIOS: And you're pointing to
12 the award, the agreement to award the
13 license which was made in that time frame
14 where there was a valid question looming
15 within, I think, 60 to 90 days from the
16 agreement to award the license. So your
17 award was done in the form of an agreement
18 to award. And as I recall, it was because,
19 otherwise, Wynn would be required to submit
20 a nonrefundable 85 million-dollar fee
21 potentially 90 days later to have gaming,
22 you know, not allowable in the
23 Commonwealth.

24 So for purposes of the analysis

1 under Section 46 of the Gaming Law, I did
2 look at it as a binary. Your Section 46
3 talks about being an applicant. It doesn't
4 talk about being an applicant or a
5 licensee. It talks about no applicant
6 shall do this. So it was under the
7 analysis for 46 a binary concept. And when
8 --

9 CHAIRMAN CROSBY: Binary meaning
10 applicant or not.

11 MS. LILLIOS: Applicant or not. So
12 given what the award of the license said
13 and given the final vote of the Commission,
14 it was viewed -- we viewed it as Wynn was
15 no longer an applicant certainly for
16 purposes of 46.

17 COMMISSIONER ZUNIGA: Yes. My
18 recollection is that they were licensees.
19 They were just a conditional licensee on
20 that fee, under consideration of the fee
21 because --

22 MS. BLUE: Our regulations provide
23 that your decision is made when the vote is
24 taken. So once you voted to award them a

1 licensee, they became a licensee.

2 CHAIRMAN CROSBY: Oh, they were. So
3 even by our own regs. they were a licensee.

4 MS. BLUE: Your decision is it's
5 when you take the vote, the decision
6 becomes effective.

7 CHAIRMAN CROSBY: Okay. That
8 answers that question. Okay, good.
9 Anybody else questions on this issue or
10 anything else for Counselor Lillios?

11 COMMISSIONER ZUNIGA: No. Thanks
12 for your memo. It's pretty well
13 articulated.

14 CHAIRMAN CROSBY: Well, it's always
15 refreshing to have something come up and
16 say I'm going to look back and see how we
17 handled that and look back and see how we
18 handled it the way we would have liked to
19 have handled it, so good job. Thank you.

20 COMMISSIONER STEBBINS: I think it
21 would also be helpful, obviously there's an
22 ongoing restriction on donations of
23 employees of our licensees going forward.
24 We don't track that. CPF does that. It

1 may make sense to, as we approach another
2 election cycle that, you know, a reminder
3 be sent to our licensee to that piece of
4 the statute, not the applicant piece but
5 the licensee piece.

6 MS. LILLIOS: That's correct. And
7 we are implementing a protocol now to do
8 those routine checks, even though it's a
9 statute that we do not enforce and it's
10 those communications with those CPF about
11 this arrangement. But like we did in the
12 first round for initial suitability, we
13 made those inquiries of both CPF. It's
14 pretty easy to do and it's public
15 information, so we have incorporated that
16 as part of our ongoing reviews of
17 suitability.

18 COMMISSIONER STEBBINS: Thank you.

19 CHAIRMAN CROSBY: Anything else?
20 Okay. We are going to take a break before
21 we get on with the rest of the meeting. We
22 will reconvene in just a few minutes.

23 COMMISSIONER CAMERON: Thank you.

24 Well done.

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COMMISSIONER MACDONALD: Thank you.

(A recess was taken)

CHAIRMAN CROSBY: We are ready to reconvene Public Meeting Number 236 at about 1:35 or 40, and we are onto Item No. 4, Mr. Connelly, director of our licensing bureau and associates.

MR. CONNELLY: So yet again, I think I've cleared a room with my topics. Good afternoon.

CHAIRMAN CROSBY: You've got others that clear them faster than you do. We have a bunch of them. Wait until we get to the regs.

COMMISSIONER STEBBINS: This is exciting stuff.

MR. CONNELLY: Exactly. So here today with Pat Madamba and Marikate Murren from MGM to present on this topic, because we wanted to reflect that this really was a collaborative effort between us and MGM to work through this exemption issue, and I

1 wanted to upfront thank them for all their
2 help in this process.

3 So we're here today to present
4 recommendations to the Commission to exempt
5 certain gaming service employee positions
6 from the registration requirement. I
7 wanted to speak a little bit about the
8 process as to how we got here.

9 So at the outset when the law was
10 changed and passed to allow the Commission
11 to exempt certain employees, we went
12 through, frankly, all of the SER positions
13 and went through them, you know, internally
14 and also with MGM to gain a deeper
15 understanding as to the specific job
16 functions of each of these positions as
17 well as where they sat in the hierarchy
18 overall so that we'd have a better
19 understanding when we might eventually
20 approach making those recommendations.

21 At the January 18th meeting,
22 Director Wells was here and spoke to you
23 about the process in general as well as
24 putting forward some criteria for

1 consideration, so criteria that we might
2 use when we evaluate positions to make
3 recommendations.

4 At that time, the Commission
5 provided feedback and further guidance on
6 those conditions, and we used those to
7 produce a form that we distributed to MGM
8 to provide us additional information on
9 each of these positions. It was actually
10 called the identification of potential
11 positions for exemption from the
12 registration requirement by the MGC. We
13 call it the PPE form. That's right out of
14 federal bureaucracy there. That's why the
15 room was cleared, exactly, as Pat notes.

16 So this form was important, though,
17 because what it did was it provided us a
18 consistent manner to gather information
19 about each position that we might consider
20 providing a recommendation on. It provides
21 the Commission a consistent set of facts
22 when you are looking at and evaluating the
23 recommendations from licensing and IEB.

24 And, finally, it will provide the

1 records. So as we go forward, this is not
2 obviously the last time I may or someone
3 else may be in front of you with potential
4 exemption recommendations, and it will give
5 us a good record to look at to see how we
6 made evaluations in the past.

7 It contained, importantly, those
8 eight factors that were discussed at the
9 January 18th meeting, which included
10 whether or not a position involved work on
11 the gaming floor, whether there were
12 managerial responsibilities in any
13 department, supervisory responsibilities in
14 human resource or sales and marketing,
15 access to secure casino back-of-the-house
16 areas, including executive offices without
17 security escort, responsibilities for
18 accounting or finance relating to the
19 gaming establishment, right access, meaning
20 the ability to change data in a
21 gaming-related casino database. And,
22 finally, responsibilities that potentially
23 impact the integrity of gaming operations,
24 including access to confidential or

1 sensitive information.

2 So for each position, and it's all
3 in the packet, MGM provided feedback on all
4 those factors for each position or
5 consideration. So once we received that
6 set of PPE forms, we did a further analysis
7 and, again, worked very closely with MGM to
8 make final recommendations, which
9 encompassed 127 jobs with an asterisk
10 there, and we'll get to that in a second,
11 encompassing 870 employees. And just to
12 note, that is nearly 60 percent, there's my
13 Boston accent, 60 percent, 60 percent of
14 the eligible SER positions that could have
15 been put forward for exemption.

16 This is not, as I mentioned a moment
17 ago, the end of the process. This is
18 really the middle. I fully expect again to
19 be in front of you with further
20 recommendations to include some of the
21 entertainment block employees which, I
22 believe, and MGM can answer better than I,
23 but I believe will largely be vender
24 employees. So some of the facilities that

1 are part of the entertainment block be run
2 by venders. Those employees by our reg.
3 would be considered gaming service
4 employees and fully expect that we'll go
5 through the analysis of potential exempting
6 them.

7 And, also, there may be additional
8 positions as you have done your analysis
9 that you ask us to consider that we haven't
10 already considered. One position --
11 actually, two positions but two different
12 flavors that I want to point out is the
13 position of porter, so utility and casino
14 porters, essentially those folks that
15 clean.

16 The casino porters, in particular,
17 are focused on cleaning the gaming area, so
18 around machines and table games. And the
19 utility porters do, my understanding, more
20 general cleaning but specifically if there
21 is a bigger job, more complex job in the
22 gaming area would come in and do that.

23 CHAIRMAN CROSBY: Excuse me, is
24 there a separate -- a different category

1 for people who clean elsewhere in the
2 gaming establishment like at the movie
3 theater or at the hotel or whatever?

4 MR. MADAMBA: There are several
5 different categories of porters but the one
6 I think Paul is specifically referencing,
7 the utility porter, which is 16472. It's
8 on the last page of Paul's very handy-dandy
9 chart here. We're going to withdraw the
10 request for an exemption for that. There
11 was an inadvertent mistake in the
12 information that was given to the
13 Commission. We literally within a few
14 minutes before the meeting we realized
15 there was a mistake, and it's just going to
16 be part of our continuing discussion. We
17 want to pull 16472, which is utility
18 porter.

19 CHAIRMAN CROSBY: So utility porters
20 who are people that are called in
21 apparently for big cleaning facility on the
22 floor?

23 MR. MADAMBA: They are
24 essentially -- since it was actually my

1 first position in the casino industry in
2 1981 at Harrah's, Atlantic City.

3 COMMISSONER CAMERON: Is that right?

4 MR. MADAMBA: I was a carpet cleaner
5 at Harrah's end of my freshman year at
6 college.

7 COMMISSONER CAMERON: I was a first
8 year trooper. I didn't run into you,
9 though.

10 COMMISSIONER ZUNIGA: That was
11 probably a good sign.

12 MR. MADAMBA: That's probably a good
13 thing though, right?

14 COMMISSONER CAMERON: Very good
15 thing.

16 CHAIRMAN CROSBY: That's why he's
17 still here.

18 MR. MADAMBA: In any event, it's
19 essentially the next step up from a porter,
20 from an entry level porter that can clean a
21 carpet and what have you. They used to be
22 called heavy duty porters. Now they're
23 utility porters, but they do have entry to
24 the casino floor. We are continuing to

1 have the discussion with staff about the
2 porters in general. So that particular
3 porter, while it's not interchangeable
4 with, it has some of the same duties as the
5 casino porter position that's not on here.
6 So that's about 46 positions. The other
7 position is not in here. It's about 100 or
8 so.

9 CHAIRMAN CROSBY: Between the two of
10 you.

11 MR. MADAMBA: There's about 150
12 altogether that are up in the air. We want
13 to continue that for discussion.

14 CHAIRMAN CROSBY: Porters that
15 function in hotels, for example, they're on
16 here already?

17 MR. MADAMBA: They are already on
18 here as well as the ones in the
19 restaurants, right.

20 CHAIRMAN CROSBY: So the only
21 porters which we would think of as cleaning
22 people are -- that have not yet been
23 addressed are the utility porters and the
24 regular porters who will be on the casino

1 floor or maybe on the casino floor.

2 MR. MADAMBA: They maybe on during
3 the ordinary course of their duties --

4 CHAIRMAN CROSBY: And that's about
5 100 of the 625 exempt.

6 MR. CONNELLY: No. Of the 625, yes,
7 it's a little over a hundred. It's a
8 hundred and change. Again, because, as Pat
9 pointed out, the utility porters are in
10 there. MGM asked us to remove the
11 exemptions and licensing agrees. And what
12 we're doing is we're in the process of
13 getting additional information on both of
14 those positions, and we may come back with
15 a further recommendation in the future.

16 But also to note, the compendium is
17 really a living document. It changes on
18 the margins right now, but there may be new
19 positions that are created, and we may
20 bring those forward. But there is
21 obviously some opportunity to revisit this
22 list, including -- and it's important to
23 note that should you vote to exempt a
24 position, any time the job description

1 changes for an exempted position or any
2 position for that matter, the licensee must
3 notify us of that change.

4 If it were a job change or changed
5 to a job description for an exempted
6 employee, we would review that specifically
7 to see whether the change has any impact on
8 our recommendation to the Commission for
9 exemption; and if so, we'd bring it back
10 perhaps for reconsideration to actually be
11 classified again as a service employee
12 registrant.

13 So this is not, you know, a terminal
14 process in the sense it cannot be
15 revisited. Any of these decisions
16 obviously can be picked up and revisited at
17 any time based on these circumstances.

18 CHAIRMAN CROSBY: Anybody?

19 COMMISSONER CAMERON: Just listening
20 it sounds like it was a collaborative
21 process. You worked well together to come
22 up with this, and I think what's good about
23 this from my standpoint is we have the
24 comfort level, but we also have some things

1 where we have -- we have some time to
2 assess our risk. And, I think, that's
3 really important to a brand-new agency just
4 so we have that level of comfort knowing
5 what happens in other jurisdictions but I
6 think it's really important that our team
7 have that ability and so that they, you
8 know, they can see firsthand where the risk
9 is and where it is not. So I appreciate
10 the collaborative effort.

11 COMMISSIONER STEBBINS: I also
12 appreciate the collaborative work. This
13 seems to have been done in a very expedient
14 amount of time thinking of when the
15 legislation passed all this work to, you
16 know, compile all the information, take a
17 look at some serious level of detail at
18 each position, how it met our guidelines or
19 didn't meet our guidelines. So, I thank
20 you, Paul, and your team as well as the
21 team from MGM.

22 I do think, you know, I'm encouraged
23 by the numbers. I'm somewhat surprised and
24 excited by the numbers of positions that

1 are now going to be available for folks who
2 prior to the change, might have found
3 themselves on the outside looking in in a
4 career changing opportunity or life
5 changing opportunities, so I think that,
6 you know, the headcount that you've come to
7 agreement on is encouraging. It's
8 certainly going to get a lot of folks out
9 there hopefully with action today to start,
10 you know, going onto Skill Smart and
11 putting their information in now knowing
12 that they're eligible.

13 A couple of caveats to that is we
14 obviously know that MGM, our licensee, also
15 has your own background process that each
16 employee is going to be required to go
17 through for many of these positions. And,
18 I think, as we think about a public
19 education effort about what this change
20 means and how it's going to impact the
21 people out there looking for a career at
22 MGM, that we need to be mindful of the
23 public education effort as to what the
24 change means but what it still entails.

1 I had two quick questions to our
2 licensees. Your workforce development plan
3 was great at pulling out a couple of
4 different positions that showed kind of a
5 career pathway up the ladder. A lot of
6 what's contained in here, you're a great
7 example, was an entry level position into
8 the industry.

9 Does MGM see Career Pathways
10 associated with any, all of these jobs as
11 people think about getting into a position
12 knowing that it has the opportunity to lead
13 them somewhere?

14 MS. MURREN: For sure. And that has
15 been the reason why we've had this
16 conversation to begin with with staff is
17 that if these are the positions that really
18 are the gateway into the industry with us
19 at MGM Resorts International, in general,
20 but with Springfield specifically in mind
21 and they are the gateway. These are the
22 positions that once you are part of that
23 family, there is tuition reimbursement. We
24 will help people get their high school

1 diploma.

2 So that workforce once you're part
3 of that family is critical, Commissioner,
4 in each position. And, I think, knowing
5 now that Pat was in that entry level, he
6 might be his picture, just like so many on
7 Facebook and Twitter, to really show that
8 progression because that's what the company
9 is about. We strive for that.

10 There is people around this table
11 that have started off in different
12 industries, started at lower positions,
13 have moved their way up and we need to
14 celebrate that success so people in
15 Springfield can see that and see their
16 lives are going to change and their family
17 dynamics.

18 COMMISSIONER STEBBINS: There
19 were -- as I read through all of these, and
20 I saw Paul wince when I told him I did
21 that, but there were two positions I'd like
22 to ask you about. One is job position
23 16703, the assistant manager of restaurant
24 sommelier, if I've got that correct.

1 MS. MURREN: Sommelier.

2 COMMISSIONER STEBBINS: Shows you
3 how much I drink wine. And 10946, director
4 of restaurants. These two positions look
5 like they have responsibilities that tied
6 into our guidelines. The assistant
7 restaurant manager, how does that tie into
8 the guideline around responsibility for
9 alcohol, sales, distribution, service and
10 storage?

11 And the director of restaurants look
12 like it might bump up against our guideline
13 around managerial responsibility, whether
14 somebody was hiring, training, overseeing
15 the operations, more of a senior level
16 position than maybe I would have expected
17 it. But if you can give me your thought
18 process on this.

19 MS. MURREN: Sure. So from a
20 director of restaurant's perspective, that
21 position does report up directly to Anthony
22 Carizola, who is our vice president of food
23 and beverage. So we've got food and
24 beverage, food on one side, beverage on the

1 other. So there will be a lead
2 commissioner, and that is the director of
3 restaurants.

4 It's more of the implementation
5 because that strategy does come from the
6 vice president perspective. Though, you
7 are correct. There are reporting
8 structures up into that director, because
9 they will come from the other outlets up
10 into the director of restaurants. So that
11 is more of the admin. side, and then we've
12 got leads within the outlets themselves.

13 So if you can imagine very similar
14 from a corporate perspective, you have the
15 admin., the executives on one side and then
16 you have people running the facilities,
17 specifically like a Macmacs, right.

18 So there is managerial
19 responsibilities there. But from a
20 purchasing of alcohol perspective, that is
21 driven by our director of beverage and that
22 position is service.

23 MR. CONNELLY: And that was,
24 Commissioner Stebbins, that was one of the

1 perspectives we took when we looked at the
2 positions as well is even in potential
3 areas where, you know, it may seem farther
4 away from gaming, we still wanted to make
5 sure at a managerial level we were
6 capturing someone so that from a compliance
7 perspective we had someone who is
8 responsible to the Commission from a
9 licensing and registration perspective for
10 a particular unit.

11 COMMISSIONER STEBBINS: Do you want
12 to talk about the other stuff, the
13 assistant restaurant manager?

14 MR. MADAMBA: What we did capture
15 was the person above, one above
16 that person. The way that exemption worked
17 was in the outlets, the person that is the
18 head of or responsible for a particular
19 outlet, there was no exemption for work.
20 And then at the assistant level, we
21 requested the exemption for that person.
22 But we still had someone that was
23 responsible to the Commission -- looking up
24 responsible to the Commission and looking

1 into the outlet responsible for the overall
2 activities of the outlet.

3 COMMISSIONER ZUNIGA: I actually
4 wanted to also mention that I was very
5 encouraged by the numbers and the process
6 as others have mentioned. But also in this
7 particular instance that there are some
8 higher level positions that are exempted
9 here, which I find very encouraging. Not
10 only for -- I initially had the impression
11 that the majority, and they have been,
12 would be exempted at the bottom of the
13 pyramid, if you will, but there is at least
14 a semblance of a career track or the
15 beginning of one in this exemptions, which
16 I think is very positive, a couple of the
17 ones mentioned before but, you know, some
18 executive decisions because they happen to
19 be in the food or the retail or the
20 entertainment wing, so I think it's very
21 positive.

22 MR. CONNELLY: That was the whole
23 analysis was done based on the qualities of
24 the job as opposed to who we might be able

1 to fill out that position.

2 COMMISSONER CAMERON: I just had a
3 quick question about your internal
4 background process. Do you outsource that
5 or is that something you handle internally?

6 MS. MURREN: We do outsource it. It
7 is a third-party vender called Hire Right,
8 and they do our drug and background
9 screening after job offer.

10 COMMISSONER CAMERON: National firm?

11 MS. MURREN: Yes.

12 COMMISSONER CAMERON: And you've had
13 good success with them?

14 MS. MURREN: Yes, we have.

15 MR. MADAMBA: Hire Right does the
16 background checks for all of our
17 properties.

18 COMMISSONER CAMERON: Thank you.

19 COMMISSIONER MACDONALD: I just add
20 my voice to all the others. I'm very, very
21 impressed by the job that was done here not
22 only by you, Paul, and you do have a future
23 in Washington waiting for you from the
24 skill with which you designed these forms

1 and Marikate and Pat as well. I really
2 think this is an extraordinary job and the
3 thought that 870 service employees are now
4 free of that automatic exclusion on account
5 of minor, potentially minor conviction in
6 an early part of their career is really
7 very important for our larger workforce
8 development calls. I think it's a great
9 job.

10 MR. CONNELLY: And I just want to
11 point out, too, it wasn't -- the commission
12 level wasn't just me but Director Wells and
13 Attorney Lillios delved, as they often do
14 very, deeply into the work here. There was
15 a bunch of us on the team involved.

16 CHAIRMAN CROSBY: My two cent's
17 worth also, Paul, is just -- it's really
18 all impressive and it did happen quickly
19 and it's great. And if you think about
20 where we were, it's almost 1,000 jobs that
21 are going to be available to people, which
22 is pretty good. Do I understand correctly
23 this will become a reg., right, that we
24 will make this is a reg. or how do we --

1 MS. BLUE: No. You can vote on this
2 today as long as you're comfortable with
3 it. It will not become a reg. The regs.
4 allow you to take these kind of activities.

5 CHAIRMAN CROSBY: Have we got
6 feedback from some of the constituent
7 groups that worked on this with us? There
8 were a lot of groups that were involved,
9 community groups who represented the folks
10 who might have a chance to work in these
11 jobs. Have we got feedback from those
12 folks?

13 MR. CONNELLY: So I received
14 feedback through Director Griffin.

15 CHAIRMAN CROSBY: Jill, do you want
16 to come up?

17 COMMISSIONER MACDONALD: No.

18 MS. GRIFFIN: Truthfully?

19 COMMISSIONER CAMERON: Jill, you need
20 a mic.

21 MS. GRIFFIN: Thank you. The
22 community groups that you're referring to
23 have been following this very closely. I'd
24 be very surprised if they weren't watching

1 now, and I think they're very encouraged.

2 CHAIRMAN CROSBY: Great. I mean,
3 they helped us get this law changed. I'm
4 not sure we would had they not pitched in,
5 and it's important to get their feedback.
6 For the most part, it makes perfectly good
7 sense to me. I think the standards that we
8 came up with make good sense. This is a
9 sensitive area. It was a learning curve as
10 Commissioner Cameron talked about.

11 The only one that I have an issue
12 with in my mind is the bartenders and
13 waitstaff who serve alcohol either in
14 general or particularly those who are not
15 on the casino floor. I think if you're
16 going to do a registration of porters on
17 the casino floor, you're clearly going to
18 do people who serve alcohol on the casino
19 floor. I'm fine with that.

20 But there will be some number of
21 jobs, I don't know, 10, 20, 30 probably who
22 will be off the casino floor like in the
23 entertainment block and the Armory when it
24 gets done who will be bartenders and

1 waitstaff that really are the kind of entry
2 level jobs that we've been talking about,
3 this same category of people.

4 And, personally, it doesn't feel to
5 me inconsistent if we carve those folks out
6 from our other criteria. In fact, it seems
7 to be consistent with our criteria. But
8 these are the criteria we came up and I'm
9 just wondering what you all, and anybody
10 else for that matter, think at this point
11 would it be worth -- I know you're going to
12 be rethinking all this all the time. You
13 have other things you're considering.
14 Would that be one to think about also?

15 COMMISSONER CAMERON: For me this
16 comes back to the risk. These are our
17 licenses to issue. This is our first time
18 issuing licenses. And just from my past
19 experience with risk in casinos that folks
20 like the bartenders, they can present a
21 risk in a number of areas, so...

22 CHAIRMAN CROSBY: Who don't have
23 contact with the casino floors.

24 COMMISSONER CAMERON: Correct,

1 correct. So I just think it's important
2 for us to start conservatively and issue
3 these licenses with an understanding of the
4 people that we're dealing with and, again,
5 continue to assess the risk.

6 But, yes, I am familiar with a, just
7 to set the tone, that those folks are --
8 we've taken a look. And then if we don't
9 have a problem down the road, that would be
10 something to consider. But right now I'm
11 comfortable with because of our license and
12 because of my knowledge of things that have
13 happened in the past that may have
14 implicated bartenders or waitstaff,
15 frankly, so I'm comfortable the way it is.

16 CHAIRMAN CROSBY: Do you guys have
17 any thoughts about that from your
18 experience or anybody else?

19 MS. MURREN: We worked with Paul and
20 his staff and we are very, very comfortable
21 with the solution and what is put forth in
22 front of you today. And as Paul said,
23 we'll continue to have these conversations
24 moving forward.

1 MR. MADAMBA: And we'll certainly
2 have a continuing conversation as we
3 develop the entertainment block as well.
4 It might be appropriate there, but the
5 process of the staff just has been an
6 excellent process.

7 CHAIRMAN CROSBY: Because the
8 entertainment block people, many of them
9 will be third parties, right? They are not
10 included in these.

11 COMMISSIONER ZUNIGA: No, they would
12 be.

13 CHAIRMAN CROSBY: Well, they will be
14 but they're not yet.

15 MR. MADAMBA: Their positions are
16 not in there.

17 CHAIRMAN CROSBY: So if there were
18 going to be 100 employees at a movie
19 theater, those numbers aren't in here who
20 will be exempt and who will not be exempt,
21 which would be pretty much covered by the
22 people I'm talking about, too, as a
23 practical matter.

24 MR. MADAMBA: Essentially what's

1 left is some of the entertainment block,
2 and there's still a question as to whether
3 there will be some or all of them will be
4 operated by third parties. So you have
5 that pull of employees, and then you have
6 the utility porter and the casino porter.
7 They're the big chunks that are left. We
8 already addressed the utility porter,
9 casino porter. We still need to have a
10 discussion about the entertainment block.

11 CHAIRMAN CROSBY: All of us have
12 another bite at that apple. And I refer to
13 the Armory. But at the moment, the Armory
14 won't be programmed, right, so there won't
15 be personnel assigned to the Armory other
16 than to hopefully lease it out to people to
17 pay you tons of money.

18 MR. MADAMBA: Correct. But we do
19 believe in either March or April we will
20 come back with some further suggestions
21 when we fill out the program.

22 CHAIRMAN CROSBY: We will get to
23 this. Go ahead.

24 COMMISSIONER ZUNIGA: I just wanted

1 to answer your --

2 MR. STRATTON: Could I just make one
3 clarification?

4 CHAIRMAN CROSBY: Seth Stratton.

5 MR. STRATTON: Yes. We will be back
6 here on the 15th, but I just don't -- the
7 comment that the Armory won't be
8 programmed, I think it will be programmed
9 and we look forward to presenting to you on
10 the 15th how it will be, just not in a
11 traditional sense with staffing and the
12 compendium of employees.

13 CHAIRMAN CROSBY: That's what I
14 meant. At the moment, there isn't a bunch
15 of staff that we need to deal with.

16 COMMISSIONER ZUNIGA: You know, I
17 have been as liberal as you have been,
18 Mr. Chairman, on this topic in terms of
19 exempting from the get-go. I think, as I
20 mentioned before, this is a great result.
21 The numbers are very encouraging. I would
22 side with your comment, Commissioner
23 Cameron, about starting now, wait and see.

24 The best piece of this process that

1 I didn't mention that, I think, is very
2 encouraging as well is that we have the
3 ability to come and redo. You can put in
4 somebody else, another job description, you
5 can take them out and we could do this as a
6 matter of course as we get more comfortable
7 about some of the details and some of the
8 how -- especially how some of the duties
9 overlap, because not any one person
10 operates an --

11 So, I think, that as we continue, we
12 may learn and get a lot more comfortable in
13 certain sort of key areas. But for now, I
14 think this is a fantastic result in terms
15 of the numbers. 60 percent is a big, great
16 result. And, I think, another big positive
17 is that it will allow us in terms of
18 resources to really focus on the thing that
19 we really want to and need to and those are
20 other positions, which is to get those
21 right because we know we have, you know, a
22 job to do there.

23 CHAIRMAN CROSBY: Right, great.

24 COMMISSIONER STEBBINS: I also and,

1 once again, I'm impressed by the numbers.
2 I think they exceeded what my expectations
3 were going to be, which is great news,
4 again, for anybody who may have felt
5 themselves on the outside looking in. And
6 I would ask that, you know, those positions
7 that I highlighted, we kind of flag those
8 and kind of continue to monitor those.
9 Again, you know, we're being -- unlike my
10 liberal colleague, I'm trying to be a
11 little more conservative even though I sit
12 to his left.

13 COMMISSIONER ZUNIGA: Like the
14 workforce development one.

15 COMMISSIONER STEBBINS: Well, I'm
16 excited about this. I think this is
17 actually -- you know, this is good news in
18 terms -- because this is going to apply not
19 only to MGM but is going to apply back to
20 Plainridge Park, and right now it applies
21 to our Region A licensee as well.

22 MR. CONNELLY: Correct, two points.
23 One, I think it's important we will take a
24 look at those positions you identified,

1 because the most important thing through
2 this process is that it's consistent and
3 rational. If it's not consistent, then
4 it's not worth anything. And to that
5 point, you know, we still have to talk
6 through internally what our
7 recommendation -- how to move this forward.
8 But, I think, what makes the most sense
9 based on some concerns, even regarding
10 employment, is that this is now the model.

11 And what we'll do is we'll take this
12 model, and we'll find the analogous
13 positions that the other licensees and
14 perform the same analysis. Frankly,
15 without, you know, fortunately for them,
16 without that level of collaboration, they
17 won't have to talk to me so much. We will
18 just tell them what the new schema looks
19 like.

20 So, again, this is now depending on
21 the vote and everything and any further
22 guidance or further decisions this is we
23 built the model that will be extrapolated
24 to the other facilities.

1 COMMISSIONER STEBBINS: One thing
2 that, you know, I want to raise and we look
3 for MGM's help in trying to find a solution
4 to this. When we did Plainridge, because
5 everybody was licensed, everybody had to
6 come in and be fingerprinted, everybody had
7 to come in and be photographed, at that
8 point our research team was providing
9 questionnaire tablets to employees, help us
10 understand where people were coming from,
11 what their previous employment status was.
12 We are kind of losing that, because now
13 some of these people we won't see.

14 So, you know, I've had this
15 conversation with Director Vander Linden.
16 We need to think how we can do that in
17 partnership with you to make sure that
18 we're capturing all this good information,
19 we're capturing all this good research so
20 that when we go back to stakeholders, we
21 can show them that the Expanded Gaming
22 Statute kind of met the job hopefuls or the
23 job prospects that the legislation
24 intended, so we need to work on that piece

1 and hopefully do that with you.

2 MS. MURREN: And just a little
3 update, Commissioner, we do have Mark and
4 the team coming in, I think, the second
5 week of March. And Paul and I and the team
6 were on a call, I think, three or four
7 weeks ago discussing this very thing that
8 they won't have access to some people
9 coming through. So we're going to come up
10 with a plan to make sure we can get the
11 survey and results and working as a good
12 partner with that side of the house also.

13 COMMISSIONER STEBBINS: That's
14 great. Thank you.

15 CHAIRMAN CROSBY: Anybody else?
16 Great, thank you very much. Great job.

17 COMMISSIONER ZUNIGA: I'll make a
18 motion.

19 MS. BLUE: I would say that the
20 easiest way for you to make a motion is to
21 move to accept what's in the packet minus
22 position number 16472, because that has
23 been withdrawn by MGM.

24 MR. CONNELLY: And just as a point

1 too, it's being withdrawn by us because we
2 are -- the Commission is -- we would --
3 staff puts forward the recommendations, so
4 just to clarify. They were being nice
5 enough to ask for it.

6 COMMISSIONER STEBBINS: Mr.
7 Chairman, I would move that the Commission
8 approve the Gaming Service Employee
9 Exemptions as provided in the packet with
10 the exception of position 16472.

11 CHAIRMAN CROSBY: Second?

12 COMMISSIONER MACDONALD: Second.

13 CHAIRMAN CROSBY: Any discussion
14 further? All in favor? Aye.

15 COMMISSIONER CAMERON: Aye.

16 COMMISSIONER MACDONALD: Aye.

17 COMMISSIONER ZUNIGA: Aye.

18 COMMISSIONER STEBBINS: Aye.

19 CHAIRMAN CROSBY: Opposed? The ayes
20 have it unanimously. Thank you. Great
21 job.

22 COMMISSIONER CAMERON: Thank you all.

23 MR. CONNELLY: Thank you very much.

24 CHAIRMAN CROSBY: We are onto No. 5,

1 legal division, General Counsel Blue. Now
2 you're going to get an empty house.

3 MS. BLUE: So in your packet today
4 you have six regulations for your review
5 and approval. The first one, the
6 amendments to 205 CMR 138.10 was actually
7 the change that was mentioned in the past
8 by Director Connelly. This is the change
9 that will require licensees to advise the
10 IEB when they make changes in job
11 description, file them so they can be
12 reviewed.

13 We're asking on this change for you
14 to approve it on an emergency basis. You
15 approved the prior change to allow for the
16 change in the law on an emergency basis so
17 we could implement it. We're asking for
18 you to do the same here.

19 We'll note that starting today what
20 we would like you to do is take each
21 regulation in two motions, one to approve
22 either the small business or amended small
23 business impact statement first, and then
24 to approve the actual regulation or

1 amendments to the regulation. And I've
2 drafted some suggested motions for you to
3 try to make that simpler. So we're asking
4 for your vote on the changes here to
5 138.10, Jobs Compendium Submission.

6 CHAIRMAN CROSBY: Make a motion?

7 COMMISSIONER MACDONALD: I will move
8 that the Commission approve the Small
9 Business Impact Statement for 205 CMR
10 138.10, Jobs Compendium Submission, as
11 included in the packet.

12 COMMISSIONER CAMERON: Second.

13 CHAIRMAN CROSBY: Discussion? All
14 in favor? Aye.

15 COMMISSIONER CAMERON: Aye.

16 COMMISSIONER MACDONALD: Aye.

17 COMMISSIONER ZUNIGA: Aye.

18 COMMISSIONER STEBBINS: Aye.

19 CHAIRMAN CROSBY: Opposed? The ayes
20 have it unanimously.

21 COMMISSIONER MACDONALD: And I
22 further move that the Commission approve
23 the amendments to 205 CMR 138.10 as
24 included in the packet and authorize the

1 staff to file the regulation on an
2 emergency basis pursuant to Chapter 23K
3 Section 5B, and further to take steps
4 necessary to file the regulations with the
5 Secretary of the Commonwealth and to
6 proceed with the formal regulation
7 promulgation process.

8 COMMISSIONER STEBBINS: Second.

9 CHAIRMAN CROSBY: Discussion? All
10 in favor? Aye.

11 COMMISSIONER CAMERON: Aye.

12 COMMISSIONER MACDONALD: Aye.

13 COMMISSIONER ZUNIGA: Aye.

14 COMMISSIONER STEBBINS: Aye.

15 CHAIRMAN CROSBY: Opposed? The ayes
16 have it unanimously.

17 MS. BLUE: The next set of
18 amendments we'd like you to consider is on
19 the agenda it's listed as Item C. It's 205
20 CMR 133.04. This is where we took out the
21 six-month period on the voluntary
22 self-exclusion list. We would ask you to
23 approve the amended small business impact
24 statement in that final regulation

1 amendment for the final promulgation
2 process.

3 COMMISSIONER ZUNIGA: I had a
4 question or perhaps a potential edit. We
5 did take out the six months exclusion list,
6 which is great and I think there are other
7 reasons as well, 133.04. But in the
8 Subsection E, the lifetime remains and the
9 language goes on to say that an individual
10 may only select a lifetime registration
11 after they had been on the self-exclusion
12 list for at least six months. Should that
13 read now at least one year, because there
14 has only been -- my reading of the prior
15 regulation was that you had to have served
16 at least one --

17 CHAIRMAN CROSBY: At least the
18 short-term first.

19 COMMISSIONER ZUNIGA: At least one
20 of the terms without it now existing I
21 submit to you that it should be at least
22 one year, meaning that it really is one of
23 the prior options, one of the other
24 options, not lifetime.

1 MS. BLUE: So we did not have that
2 conversation with the responsible gaming
3 folks. We can certainly have that and come
4 back to you with that change. If that's
5 what they were thinking, they did not
6 advise us that they were thinking along
7 those lines. So I would suggest we approve
8 this change, and then we'll go back and
9 talk to our responsible gaming team and see
10 what they think.

11 COMMISSIONER ZUNIGA: And I'm fine
12 doing that. I just remember, as being one
13 of the Commissioners involved in this, is
14 that the notion was that somebody would go
15 first through a self-exclusion, that would
16 conclude. There will be an exit interview,
17 which is important as part of the whole
18 rehabilitation process, and then somebody
19 might then decide to do a lifetime which
20 was -- anyway, but if we could --

21 CHAIRMAN CROSBY: That's a very good
22 point. It makes no sense to have it in six
23 months. It either should not be there at
24 all, because now it's a full year or it

1 should say a full year, because that's the
2 only other option, but that's a very good
3 point.

4 COMMISSONER CAMERON: Because there
5 would be no exit interview in six months.

6 COMMISSIONER ZUNIGA: Right. That
7 would imply that somebody could get in the
8 list eventually directly just by going
9 through any one of them, and then after six
10 months getting into a lifetime without that
11 exit interview.

12 CHAIRMAN CROSBY: I was starting to
13 say could we adopt this amendment subject
14 to General Counsel Blue working out the
15 wording? But there are some issues in that
16 actually whether we would extend it to a
17 year. That makes -- a person comes in and
18 says I want to go on a lifetime, we'd say,
19 sorry, you have to wait a year before you
20 can go on a lifetime. I'm not sure that's
21 a good idea. I think that is something we
22 need to think about.

23 MS. BLUE: I think there's a number
24 of ways -- that's why I would like to talk

1 to the responsible gaming folks. There's a
2 lot of ways that you could approach this.
3 It wouldn't be necessary for someone to --
4 if they picked a year, for example, on
5 their first voluntary self-exclusion, if at
6 the end of six months they wanted to extend
7 it to a lifetime, I'm not sure you
8 necessarily need an exit interview. You
9 could have a conversation with the
10 GameSense people, the voluntary
11 self-exclusion folks and make that
12 decision. So, I think, it is a little more
13 complicated than just they were synched up
14 to match, and I would like their input on
15 that.

16 CHAIRMAN CROSBY: I think it would
17 be better that we don't vote on that.
18 Let's just wait, because it won't be this.
19 It will be something different, and then
20 maybe something we want to talk about. So
21 why don't we see if we can get it on the
22 agenda for the 1st.

23 MS. BLUE: What we need to
24 understand is we have taken this all the

1 way through the hearing process to make
2 greater changes to this. We will start the
3 process again. That will mean the six
4 months is still available to people who
5 want to select it. So we understand, it
6 will be the same reg. in place for a little
7 while longer without the changes we're
8 suggesting.

9 COMMISSIONER ZUNIGA: I'm sorry I
10 didn't know this earlier, but that's a
11 great clarification.

12 CHAIRMAN CROSBY: I'm with you. But
13 the reason we're doing this is to adapt it
14 to the regional, as you know, to the
15 regional voluntary self-exclusion, which
16 isn't in place yet. So I think another --
17 extending it for another whatever isn't
18 going to be a big problem. All right. So
19 let's wait on this one. Thank you.

20 MS. BLUE: The next regulation is
21 205 CMR, and it's a couple of regulations
22 that have amendments to address floor plan
23 issues. And I'm going to let Deputy
24 General Counsel Grossman describe this to

1 you.

2 MR. GROSSMAN: Good afternoon.

3 CHAIRMAN CROSBY: Good afternoon.

4 COMMISSONER CAMERON: Good
5 afternoon.

6 COMMISSIONER ZUNIGA: Good
7 afternoon.

8 COMMISSIONER MACDONALD: Good
9 afternoon.

10 COMMISSIONER STEBBINS: Good
11 afternoon.

12 MR. GROSSMAN: The regulation before
13 you pertains to the gaming -- excuse me --
14 to the floor plan that has to be submitted
15 by gaming licensees to the Commission. By
16 way of background, you'll recall that at
17 present there is a requirement that a floor
18 plan be submitted to the Commission.

19 What this proposal does is divorces
20 that requirement from the operations
21 certificate and puts it under the internal
22 controls. That will be done in an effort
23 to streamline the process and give both the
24 licensees and the IEB more flexibility to

1 maneuver and to allow for amendments to
2 floor plans and changes of that nature as
3 opposed to tying it to the operation
4 certificate, which requires a full
5 presentation to the Commission and what
6 have you.

7 So that was the impedence for this
8 change. And in the process of doing so, of
9 course, we went through the existing floor
10 plan requirements and streamlined some of
11 those provisions and took out some things
12 that we didn't think we really needed in
13 there, and that's how we landed where we
14 landed with this.

15 You'll see of course that we
16 received some comments from Plainridge Park
17 Casino on the proposal. Mr. Band and I
18 have gone through all of the comments. We
19 are content, as a general matter, that the
20 proposal you have before you is still
21 sound, and that it should generally remain
22 as it is in that it's in existence at the
23 moment. We really haven't changed much of
24 anything at all.

1 We could certainly work with them to
2 ensure that they understand the
3 requirements. They have a floor plan at
4 the moment that has been approved that
5 meets these requirements. So with the
6 exception of one area that I'll point out,
7 we're not suggesting that any modifications
8 be made to the existing draft.

9 So if approved, essentially this
10 will just become part of the internal
11 control procedure. It would have to be
12 submitted by both MGM and Wynn in the
13 future as part of the submission of their
14 internal controls and could be amended in
15 accordance with the terms here.

16 COMMISSIONER MACDONALD: Todd, just
17 getting clarification on your -- on the
18 format here. In green we've got the PPC
19 comments. Was any of the language -- is
20 the language that is in red here, which is
21 the proposed language, does that
22 incorporate in any instance the comments
23 that were made by PPC?

24 MR. GROSSMAN: No, it doesn't. The

1 red language is all the original language
2 that was initially presented to the
3 Commission and brought through the
4 promulgation process through the public
5 hearing. PPC simply inserted their
6 comments in green in the draft as to
7 highlight what they were. But we
8 haven't --

9 COMMISSIONER ZUNIGA: And they are
10 in red because when you highlighted this
11 because we're essentially just taking them
12 out of the operation certificate section
13 and putting them in the internal controls.
14 So there has be no change to the actual
15 language that was there before. There has
16 only been a -- or has there been?

17 MR. GROSSMAN: That's true as a
18 general matter. We did certainly clarify
19 some provisions. For example, when it
20 comes to temporary amendments to the floor
21 plan, that's on page two, towards the
22 bottom, we clarified that process as it was
23 my understanding that, you know, there was
24 some uncertainty as to exactly how that

1 would work.

2 Now we set out a very specific
3 process for the temporary amendment of a
4 floor plan, and we set out specific time
5 frames for the allowance of a temporary
6 amendment, at which point you'd have to
7 apply for a permanent amendment if you
8 wanted to and things of that nature.

9 So I wouldn't represent to you that
10 this is identical to the previous version,
11 but certainly the essence of it is the
12 same. It's the same content. And a lot of
13 the items that have to be reflected in the
14 floor plan itself are essentially
15 identical.

16 COMMISSIONER MACDONALD: But you've
17 take into account what PPC had asked you to
18 think about at least, and you're
19 comfortable with the text that you are
20 proposing here.

21 MR. GROSSMAN: We are comfortable.
22 There was one word that we would add in
23 here to clarify one of the areas, which we
24 thought could use some further

1 clarification. On page two in Provision K,
2 which is up about a third of the way down,
3 they asked whether essentially an automated
4 coupon redemption machine is the same as M,
5 which is a gaming voucher redemption
6 machine.

7 We'll suggest that by adding the
8 word "kiosk" into Provision K so it would
9 read, "automatic coupon redemption machine
10 or kiosk," that that will help clarify that
11 we are referring to something other than
12 the gaming voucher that may be on the
13 floor.

14 But, otherwise, we're of the opinion
15 that everything really stands on its own.
16 We could certainly, as with any regulation,
17 spend pages and pages explaining exactly
18 what we mean by everything. But we think,
19 you know, some things kind of stand on
20 their own and we can work with.

21 CHAIRMAN CROSBY: We kind of like to
22 have that authority ourselves anyway.

23 COMMISSONER CAMERON: And most of
24 their comments are asking for more detail,

1 right?

2 MR. GROSSMAN: Right.

3 COMMISSONER CAMERON: That's the
4 majority of their comments. So you
5 provided some of that and other parts of
6 this you feel like you could do with them
7 independently with this document.

8 MR. GROSSMAN: I think the IEB can
9 work with PPC to ensure that their floor
10 plan is adequate and meets the requirements
11 of the regulation as it's written without
12 really any conflict or anything like that.

13 COMMISSONER CAMERON: Is it a
14 different person than the original --

15 MR. BAND: Yes.

16 COMMISSONER CAMERON: So you work
17 with one person who did the original --

18 MR. BAND: Yes. And we'll work with
19 this individual so they have a better
20 understanding. Todd and I actually went
21 over their floor plan today and everything
22 that we need is in there and, you know,
23 there wasn't any deficiency.

24 COMMISSIONER STEBBINS: The language

1 that kind of struck me that PPC had a
2 question about is the kind of the opening
3 section where it says, "gaming area
4 depicted in the floor plan shall be
5 arranged in such a manner as to provide
6 optimum security for the gaming operations"
7 and what's optimum security is kind of a
8 subjective question. What is the necessity
9 are you experiencing to drive that in?

10 MR. BAND: Well, just for the table
11 floor layout isn't subject to, you know,
12 robberies, thefts, I mean, that kind of
13 thing. So you'd want to look for the
14 optimal security.

15 COMMISSIONER STEBBINS: Okay.

16 COMMISSIONER ZUNIGA: Well, it's
17 those things I really wouldn't want us to
18 go down the path of trying to define each
19 and every one of those terms that have to
20 be very case specific, especially in light
21 of the fact that we already have a plan --
22 from the people who commented that complies
23 with everything that we've got we wanted.
24 So where are we on this process; is there a

1 motion we need to move to --

2 MS. BLUE: There is a motion. This
3 is to take it through the final
4 promulgation process. We have an amended
5 small business.

6 COMMISSONER CAMERON: Mr. Chair, I
7 move that the Commission approve the
8 Amended Small Business Impact Statement
9 from 205 CMR 138.07, 138.66 and 151.01,
10 floor plans, as included in the packet.

11 COMMISSIONER MACDONALD: Second.

12 CHAIRMAN CROSBY: Discussion? All
13 in favor? Aye.

14 COMMISSONER CAMERON: Aye.

15 COMMISSIONER MACDONALD: Aye.

16 COMMISSIONER ZUNIGA: Aye.

17 COMMISSIONER STEBBINS: Aye.

18 CHAIRMAN CROSBY: Opposed? The ayes
19 have it unanimously.

20 COMMISSONER CAMERON: I also move
21 that the Commission approve the final
22 version of the 205 CMR 138.07, 138.66 and
23 151.01 as included in the packet and
24 authorize the staff to take all steps

1 necessary to file the regulation with the
2 Secretary of the Commonwealth and to
3 complete the regulation promulgation
4 process.

5 COMMISSIONER MACDONALD: Second.

6 CHAIRMAN CROSBY: Discussion? All
7 in favor? Aye.

8 COMMISSIONER CAMERON: Aye.

9 COMMISSIONER MACDONALD: Aye.

10 COMMISSIONER ZUNIGA: Aye.

11 COMMISSIONER STEBBINS: Aye.

12 CHAIRMAN CROSBY: Opposed? The ayes
13 have it unanimously.

14 MS. BLUE: The next regulation on
15 our list is 205 CMR 138.20, that's
16 possession of firearms. You might remember
17 from this regulation that we actually
18 included the language in the reg. that has
19 to appear in the sign, and we've
20 promulgated the reg. We put in Plainridge
21 Park's phone number. So, clearly, that's
22 not the right phone number for everyone.
23 So what we've done is change this reg. to
24 leave the sign language with a blank so

1 that the appropriate facility's phone
2 number can be included.

3 CHAIRMAN CROSBY: Discussion?
4 Questions? Motions?

5 COMMISSIONER STEBBINS: Mr. Chair, I
6 move that the Commission approve the
7 Amended Small Business Impact Statement for
8 205 CMR 138.20, possession of firearms, as
9 included in the packet.

10 CHAIRMAN CROSBY: Second?

11 COMMISSIONER CAMERON: Second.

12 CHAIRMAN CROSBY: Discussion? All
13 in favor? Aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER MACDONALD: Aye.

16 COMMISSIONER ZUNIGA: Aye.

17 COMMISSIONER STEBBINS: Aye.

18 CHAIRMAN CROSBY: Opposed? The ayes
19 have it unanimously.

20 COMMISSIONER STEBBINS: I move that
21 the Commission approve the final version of
22 205 CMR 138.20 as included in the packet
23 and authorize the staff to take all steps
24 necessary to file the regulation with the

1 Secretary of the Commonwealth and complete
2 the regulation formulation process.

3 COMMISSONER CAMERON: Second.

4 CHAIRMAN CROSBY: This is .2 not
5 .02, okay. Any discussion? All in favor?
6 Aye.

7 COMMISSONER CAMERON: Aye.

8 COMMISSIONER MACDONALD: Aye.

9 COMMISSIONER ZUNIGA: Aye.

10 COMMISSIONER STEBBINS: Aye.

11 CHAIRMAN CROSBY: Opposed? The ayes
12 have it unanimously.

13 MS. BLUE: The next regulation
14 before you is a series of changes to a
15 couple of regulations regarding unsecured
16 funds and gaming day, and I'll leave that
17 to Mr. Grossman. We've brought this before
18 you before. We've made some changes as
19 there has been an update as well.

20 MR. GROSSMAN: You'll recall that
21 this was before you at the last meeting.
22 There was a comment raised by MGM relative
23 to our gaming day proposal. We have since
24 reviewed this and they have reviewed this,

1 and they are now content with the proposal
2 as written. So we are not recommending any
3 further changes to that. And if you adopt
4 it as it's written with a six a.m. to 5:59
5 gaming day. So that's the first piece of
6 this proposal.

7 The second piece of the proposal
8 deals with unsecured funds, which you'll
9 recall are is essentially cash or whatnot
10 that's located in the slot machine during a
11 drop or collections that didn't make it
12 into the drop-box and how that particular
13 currency or tickets are handled. We set
14 that forth here.

15 We also have provisions in here that
16 deal with the event of any overage or
17 underage during the count process and how
18 that gets handled. So those are contained
19 here, too. We do have one proposed change
20 based on a comment we received from
21 Plainridge Park Casino, and you'll see that
22 reflected at the bottom of page one where
23 we have crossed out some language and then
24 included some new language in green on page

1 three.

2 Essentially what we were doing is
3 saying that instead of counting an overage
4 as unsecured funds, that essentially we
5 sweep into our control, they will become
6 part of the investigation that gets
7 performed by the casino similar to that
8 that would be done in the case of underage
9 or lack of proper funds based upon the
10 meter read. They'd investigate it and
11 report back to us as to the source.

12 So that's the one change that we are
13 recommending to you that came through as
14 part of the comment period. Otherwise, we
15 would recommend that the Commission approve
16 these changes to be adopted.

17 CHAIRMAN CROSBY: Do I have a
18 discussion? Do I have a motion? The issue
19 of gaming day that MGM raised, this didn't
20 correspond with their gaming day, right?
21 That was the problem.

22 MR. GROSSMAN: It was, but it was
23 sorted out.

24 CHAIRMAN CROSBY: So they ended up

1 figuring that out, okay. Do I have a
2 motion?

3 COMMISSIONER ZUNIGA: Sure. I'll be
4 happy to move that the Commission approve
5 the Amended Small Business Impact Statement
6 for 205 CMR 138.28, 138.33, 138.68 and
7 140.02, unsecured funds on gaming day, as
8 included in the packet.

9 COMMISSIONER MACDONALD: Second.

10 CHAIRMAN CROSBY: Further
11 discussion? All in favor? Aye.

12 COMMISSIONER CAMERON: Aye.

13 COMMISSIONER MACDONALD: Aye.

14 COMMISSIONER ZUNIGA: Aye.

15 COMMISSIONER STEBBINS: Aye.

16 CHAIRMAN CROSBY: Opposed? The ayes
17 have it unanimously.

18 COMMISSIONER ZUNIGA: And I further
19 move that the Commission approve the final
20 version of 205 CMR 138.28, 138.33, 138.68
21 and 140.02 as included in the packet and
22 authorize the staff to take all steps
23 necessary to file the regulation with the
24 Secretary of the Commonwealth and complete

1 the regulation promulgation process.

2 COMMISSIONER MACDONALD: Second.

3 CHAIRMAN CROSBY: Further
4 discussion? All in favor? Aye.

5 COMMISSIONER CAMERON: Aye.

6 COMMISSIONER MACDONALD: Aye.

7 COMMISSIONER ZUNIGA: Aye.

8 COMMISSIONER STEBBINS: Aye.

9 CHAIRMAN CROSBY: Opposed? The ayes
10 have it unanimously.

11 MS. BLUE: And then the final
12 regulation today before you is 205 CMR
13 141.06. This regulation there is a few
14 technical amendments to this, but the
15 biggest change is that it requires a
16 licensee to notify the Commission prior to
17 making any movement in terms of slot
18 machines and table games.

19 Our original regulation said that we
20 would get notification upon the movement,
21 and obviously we would like to know
22 beforehand. So we've taken this through
23 the process, and this is the final step in
24 promulgating these changes.

1 CHAIRMAN CROSBY: Why did we decide
2 to do this; what difference does it make?

3 MR. BAND: Well, every once in a
4 while, the casino would relocate a camera
5 we wouldn't know about it.

6 CHAIRMAN CROSBY: CCTV equipment.

7 MR. BAND: Yes. And, actually, the
8 floor is set up with our approval on each
9 one that we can adequately see each table.
10 And if they just start to not notify us and
11 move it around, we lose control of the
12 floor and that sort of stuff.

13 CHAIRMAN CROSBY: Okay.

14 COMMISSIONER MACDONALD: I move that
15 the Commission approve the Amended Small
16 Business Impact Statement for 205 CMR
17 141.06, notice to the Commission of changes
18 as included in the packet.

19 COMMISSIONER ZUNIGA: Second.

20 CHAIRMAN CROSBY: This is really
21 tiny, but you don't say the moving of CCTV
22 equipment. You talk about replaced,
23 including a change or an upgrade to system
24 hardware. Are you talking about -- do you

1 mean to be talking about changing camera
2 locations? Because it's not covered here.
3 That isn't covered.

4 COMMISSIONER ZUNIGA: Any change,
5 CCTV includes any change.

6 CHAIRMAN CROSBY: To system
7 hardware, change the system hardware. It's
8 really detail.

9 COMMISSIONER ZUNIGA: But the
10 hardware is the camera.

11 CHAIRMAN CROSBY: Okay, okay, that
12 covers move. I think that covers move.
13 Okay, fine. Told you it was tiny. Any
14 further discussion? Any other useless
15 points to make? All in favor? Aye.

16 COMMISSIONER CAMERON: Aye.

17 COMMISSIONER MACDONALD: Aye.

18 COMMISSIONER ZUNIGA: Aye.

19 COMMISSIONER STEBBINS: Aye.

20 CHAIRMAN CROSBY: All opposed? The
21 ayes have it unanimously.

22 MS. BLUE: Did we have a motion on
23 that?

24 COMMISSIONER CAMERON: We did and I

1 second.

2 COMMISSIONER ZUNIGA: I seconded the
3 motion.

4 COMMISSIONER MACDONALD: I moved,
5 and I think Enrique seconded it.

6 CHAIRMAN CROSBY: You need the
7 second one.

8 COMMISSIONER MACDONALD: And,
9 finally, thank you, I move that the
10 Commission approve the final version of 205
11 CMR 141.06 as included in the packet and
12 authorize the staff to take all steps
13 necessary to file the regulation with the
14 Secretary of the Commonwealth and complete
15 the regulation promulgation process.

16 COMMISSIONER CAMERON: Second.

17 CHAIRMAN CROSBY: Further
18 discussion? All in favor?

19 COMMISSIONER CAMERON: Aye.

20 COMMISSIONER MACDONALD: Aye.

21 COMMISSIONER ZUNIGA: Aye.

22 COMMISSIONER STEBBINS: Aye.

23 CHAIRMAN CROSBY: Opposed? The ayes
24 have it unanimously.

1 MS. BLUE: That's all we have.

2 Thank you.

3 CHAIRMAN CROSBY: Thank you very
4 much.

5 COMMISSONER CAMERON: Thank you.

6 CHAIRMAN CROSBY: Counselors, is
7 there any other business that was either
8 unanticipated or do we have any
9 Commissioner updates?

10 COMMISSIONER ZUNIGA: I actually
11 have an update. I attended the New
12 Horizons conference and GameSense summit in
13 Vancouver this last week. This was my
14 first time going. I had heard from
15 Director Vander Linden and others that this
16 was a great conference to attend to in the
17 area of responsible gaming, and I was not
18 disappointed by any means. It's a great
19 conference and it was great to see the
20 GameSense summit and others that are
21 implementing GameSense around Canada and
22 the United States in ways that we are.

23 I want to say something we've said
24 before here that we continue to be

1 recognized as very progressive in this area
2 by all the work that we've done. There was
3 a delegation from Japan who was very
4 interested in coming to visit PlayMyWay, to
5 see PlayMyWay and as well as the GameSense
6 face here and how that all might turn out
7 to be with MGM. And it was very good to
8 speak to them, and they were very impressed
9 with some of -- some of our recent history
10 which they draw a lot of parallels to what
11 they are going to.

12 CHAIRMAN CROSBY: Great.

13 COMMISSIONER ZUNIGA: I have to say
14 that MGM was really showcased there with
15 their own efforts on implementing
16 GameSense. There's a real sense of an
17 expectation of how that is all going to
18 work with an operator. Because up until
19 then, it had only been bodies that -- in
20 Canada there's PCL of course, but they have
21 a different sort of framework for the
22 oversight and regulation of that. And they
23 really have what, I believe, to be a great
24 story to tell and how quickly and

1 effectively they are deploying GameSense
2 throughout all of --

3 CHAIRMAN CROSBY: MGM.

4 COMMISSIONER ZUNIGA: MGM.

5 Throughout all of their properties. So
6 that's one area that I think I'd be very
7 curious to go see at some point when they
8 deploy GameSense to some of the properties
9 in the Northeast or Vegas because they are
10 doing that, and they are seeing quite a bit
11 of great feedback from both employees and
12 customers.

13 CHAIRMAN CROSBY: I was going to
14 comment on that, too. And incredibly
15 valuable we are going to have research
16 evaluation of the GameSense when it's
17 administered by an operator, a regulator,
18 sorry, like us versus and MGM, for example,
19 in Maryland where they will have it just
20 integrated only with their own M-Life
21 program and will be able to do evaluations
22 to see whether or not the effects and
23 uptakes and so forth are more or less
24 comparable, which will be great.

1 But I agree with you that it was
2 appropriate to single out MGM, because they
3 have gotten real credit, they deserve
4 credit, on really taking a serious
5 corporate lead on responsible gaming.

6 COMMISSIONER MACDONALD:

7 Commissioner Zuniga, at the conference, was
8 there any discussion of the introduction
9 and employment of the play management tools
10 like PlayMyWay?

11 COMMISSIONER ZUNIGA: Absolutely.

12 Actually, Mark Vander Linden, Director
13 Vander Linden presented in two panels. The
14 one that I'm remembering most recently was
15 specifically on PlayMyWay. He had really
16 essentially the history that we are all
17 familiar with.

18 Again, a lot of great questions
19 relative to, from the audience, relative to
20 the fact that we are the first ones to do
21 that in the United States. There is a lot
22 of people from Canada and elsewhere in that
23 conference, but they recognized that our
24 context is slightly different. And a lot

1 of expectation on the evaluation that we
2 are doing. As we're all familiar with it,
3 there is a good first report but some of
4 that evaluation continues, and there's a
5 lot more that we're hoping to do and,
6 again, a great set of days.

7 CHAIRMAN CROSBY: Great. Anybody
8 else? Motion to adjourn?

9 COMMISSONER CAMERON: So moved.

10 CHAIRMAN CROSBY: Second?

11 COMMISSIONER MACDONALD: Second.

12 CHAIRMAN CROSBY: All in favor?

13 COMMISSONER CAMERON: Aye.

14 COMMISSIONER MACDONALD: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

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

19
20 (Meeting adjourned at 2:40 p.m.)
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24

1 MASSACHUSETTS GAMING COMMISSION STAFF:

2 Catherine Blue, General Counsel

3 Todd Grossman, Deputy General Counsel

4 Michael Sangalang, Digital Communications

5 Coordinator

6 Jill Griffin, Director of Workforce, Supplier and

7 Diversity Development

8 Paul Connelly, Director of Licensing

9 Bruce Band, Deputy Director, IEB

10
11 MGM SPRINGFIELD:

12 Seth Stratton, Esq., MGM Springfield

13 Marikate Murren, Vice President of Workforce

14 Patrick Madamba, Jr., Esq., MGM Springfield

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COMMONWEALTH OF MASSACHUSETTS

I, KRISTEN M. EDWARDS, COURT REPORTER,
do hereby certify that the foregoing is a true and
accurate transcription of my stenographic notes,
to the best of my knowledge and belief.

WITNESS MY HAND, this 27th day of
February, 2018.

Kristen M. Edwards