



Meeting Minutes

Date/Time: February 2, 2017 – 10:00 a.m.

Place: Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, Massachusetts

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

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

Call to Order

See transcript page 2

[10:03 a.m.](#) Chairman Crosby called to order the 209th Commission meeting.

Approval of Minutes

See transcript pages 2-6

[10:03 a.m.](#) *Commissioner Macdonald moved for the approval of the January 19, 2017, Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Cameron. With regard to the discussion on non-gaming vendors and employees, Commissioner Zuniga suggested including language that three Commissioners (Crosby, Zuniga, and Macdonald) felt that they had the authority to resolve the ambiguities presented in the statute. Also, Commissioners Stebbins and Macdonald suggested including language that Executive Director Bedrosian will take the lead on this matter. Motion passed unanimously.*

Research and Responsible Gaming

See transcript pages 6-79

[10:07 a.m.](#) Chairman Crosby noted that Director Mark Vander Linden is in Iowa. Rachel Volberg, SEIGMA (Social and Economic Impacts of Gambling in Massachusetts) Principal Investigator at the University of Massachusetts Amherst, School of

Public Health, introduced Robert Williams, Co-Investigator on the SEIGMA Project. She stated that he will present on results from the baseline online panel survey. She acknowledged the role of the Gaming Research Advisory Committee and the Research Design and Analysis Subcommittee in the production of the survey report.

10:14 a.m. Robert Williams noted that the level of review, scrutiny, and input for the SEIGMA research products are more than what is typically done in an academic context. He stated that a baseline general population survey was conducted but it didn't provide a fine-grain analysis of problem gamblers in Massachusetts. He stated that a supplemental survey (baseline online panel) was conducted to increase their sample of problem gamblers. Dr. Williams provided a summary of the online panel survey. He also noted the weaknesses of online panels and systematic biases.

Dr. Williams went over the research plan projections, methods, and results. He also provided a summary of the following negative impacts in two categories - all gamblers and problem gamblers: financial, health, mental health, relationships, work, school, and illegal activity. He noted that Massachusetts has a high level of lottery revenue and lottery engagement. Dr. Williams also presented on awareness of prevention programs and utilization of treatment programs for problem gamblers. He noted that overall, only 10 percent of problem gamblers seek formal treatment.

Dr. Volberg stated that the online panel survey report will be available on the SEIGMA website. Chairman Crosby asked Teresa Fiore to send the report and slides out to the Public Health Trust Fund committee members.

11:19 a.m. The Commission took a short recess.

11:26 a.m. The meeting resumed.

Administrative Update

See transcript pages 80-91

11:26 a.m. Executive Director Edward Bedrosian, Jr. noted that there were technical difficulties during the streaming of Dr. William's presentation but a clean taping of the presentation will be available on our website.

Executive Director Bedrosian reported that he continues to work on the following projects: employee licensing, internal and external compliance, and the FY18 budget.

He also reported that he received a letter from Treasurer Deborah Goldberg reappointing Commissioner Enrique Zuniga for a five-year term. Commissioner Zuniga stated that it is a pleasure to work with the fellow Commissioners and he looks forward to the next phase with the opening of two major casinos.

11:30 a.m. Executive Director Bedrosian stated that the Plainridge Park Casino Capital Investment Plan was discussed at the last Commission meeting. He stated that he worked with Deputy General Counsel Todd Grossman on the Capital Investment Plan motion with conditions and it is ready for a vote.

[11:34 a.m.](#) *Commissioner Zuniga moved that after discussion and review of the materials submitted by Plainridge Park Casino by letter dated January 16, 2017, and in accordance with 205 CMR 130.09 relative to its multi-year capital expenditure plan, that the Commission approve the plan. For clarity, the plan shall be considered the information contained in the submitted spreadsheet that was reviewed at the January 19, 2017 commission meeting. As part of the approval he further moved that we find good cause was demonstrated for the five-year plan to not equal or exceed the 3.5% of net gaming revenue threshold. As a basis for this finding, we looked at things such as the relative new nature of the facility, the outlined maintenance program, and the proposed improvements to the racing facilities.*

This approval comes with the following conditions:

- 1. The dollar amounts set out in the plan shall be considered minimum investment figures and can be exceeded;*
- 2. The licensee shall annually file a written report, to coincide with its fiscal year, detailing its compliance with the approved plan;*
- 3. The licensee's May 2017 quarterly report and accompanying presentation shall include information by which the commission may verify that the 2016 expenditures included in the plan were made.*
- 4. The Commission will review the plan periodically to determine whether it continues to satisfy the purpose of the capital expenditure provisions of the law and may direct any necessary adjustments; and*
- 5. If the licensee anticipates being unable to satisfy any component of the plan, or seeks modification thereto, it shall request advance approval from the commission.*

Motion seconded by Commissioner Stebbins. Chairman Crosby stated for the record that we find good cause at this point. Motion passed unanimously.

Investigations and Enforcement Bureau (IEB)

See transcript pages 91-162

[11:38 a.m.](#) Executive Director Bedrosian requested that agenda items 5a and 5c be discussed together.

[11:38 a.m.](#) Bruce Band, Assistant Director and Gaming Agents Division Chief, stated that comments were received from MGM, Wynn, and Scientific Games pertaining to the table games rules memo. He stated that he would like to get direction from the Commissioners on how to proceed with the review of the table games rules – receive rules all at once or a few at a time. The Commissioners and staff discussed options. Executive Director Bedrosian suggested starting the review of the rules in March and work on getting them done over the next few months. He also suggested tying in the initial regulations review with the most recent table game trainings.

[11:52 a.m.](#) Staff Attorney Carrie Torrisi presented on the gaming equipment regulations memorandum and stated that the memorandum outlines the standards for the various types of equipment that will be used to play the table games in the Category 1 casinos. She stated that a chart was prepared for the Commissioners outlining a multi-state survey of table game equipment regulations. She stated that table games equipment is handled fairly uniformly from state to state. She stated that questions for the Commissioner's consideration are (1) how will the Commission distinguish among value chips and non-value chips, and (2) will the Commission promulgate

specific regulations for gaming instrumentalities other than chips? Attorney Torrissi provided highlights of the multi-state survey which related to these questions. She stated that we can post the gaming equipment regulations on our website but she would recommend that the gaming equipment specifications be promulgated as regulations. She also noted that a variance procedure would be included for new equipment.

[12:07 p.m.](#) Senior Supervising Gaming Agent Burke Cain and Mr. Band presented on recommendations for questions in the memo pertaining to design specifications for the value of chips, distinction between value and non-value chips, gaming plaques, and gaming instrumentalities.

Executive Director Bedrosian suggested getting comments from our licensees and consult with them about their timeframe. The Commissioners complimented Attorney Torrissi on her memo and chart and stated it was helpful.

[12:22 p.m.](#) Loretta Lillios, Chief Enforcement Counsel and Deputy Director, presented on amendments to 205 CMR 152 – the exclusion list regulations. She stated that public comments were received and she provided an overview of the comments and amendments. She stated that changes included adding the Gaming Enforcement Division of the Office of the Attorney General as a referral source for individuals to be placed on the exclusion list and requiring gaming licensees to notify the IEB in advance of ejecting an individual and to confiscate winnings from excluded individuals.

Attorney Lillios noted that Attorney Seth Stratton, from MGM Springfield, asked for clarification pertaining to a licensee's duty to tell the Commission the names they believe are appropriate for the exclusion list. Attorney Lillios stated that this matter can be taken up in the next draft.

Attorney Lillios requested approval for a formal promulgation process. The matter was not on for a vote and General Counsel Catherine Blue suggested that the Commission could direct staff to start the process and come back for a vote. Attorney Lillios noted that Paralegal Shara Bedard assisted in this process and has been helpful.

[12:37 p.m.](#) Director Karen Wells presented on the suitability investigations of Robert Rudolph (Senior Vice President of Internal Auditing at MGM Resorts International) and Michael Carlotti (Senior Vice President and Treasurer at MGM Resorts International). She stated that investigations were conducted and she provided a summary of their educational and professional backgrounds. She stated that the IEB recommends that the Commission find them suitable as qualifiers for MGM Resorts.

Commissioner Cameron moved that the Commission approve qualifier Robert William Rudolph as a Senior Vice President of Internal Audit for MGM Resorts International. Motion seconded by Commissioner Macdonald. Motion passed unanimously.

Commissioner Cameron moved that the Commission find Michael Carlotti suitable as the Senior Vice President and Treasurer of MGM Resorts International. Motion seconded by Commissioner Stebbins. Motion passed unanimously.

Commissioner's Update

See transcript pages 162-167

[12:46 p.m.](#) Commissioner Stebbins reported that he and Jill Griffin, Director of Workforce, Supplier and Diversity Development, went to a meeting at the Hanscom Air Force Base and discussed employment support and opportunities for veterans. He also noted that they met with family support workers who work with service members and provided them with information on problem gambling. He also planned to make sure that he connected them with Director Vander Linden and Teresa Fiore.

Commissioner Stebbins also reported that he and Chairman Crosby met with the Speaker regarding recommendations on how money can be expended from the Gaming Economic Development Fund. The Speaker expressed support and requested a White Paper from the Commission.

[12:49 p.m.](#) Commissioner Cameron stated that the Australian regulatory staff would like to come to Boston to get information on best practices for an integrated resort casino. She stated that she is working with Executive Director Bedrosian to set this up.

[12:51 p.m.](#) Chairman Crosby stated that he and Commissioner Zuniga met with folks at the Massachusetts Council on Compulsive Gambling ("MCCG") for a discussion about their budget cuts. He stated that they are optimistic about getting the cuts reinstated. Commissioner Zuniga stated that Marlene Warner, the Executive Director of MCCG, provided him with a study about veterans and problem gambling.

Chairman Crosby stated that he will attend the GameSense Summit to discuss best practices. He stated that Commissioner Cameron will chair the next Agenda Setting and Commission meetings.

Other Business Not Reasonably Anticipated

See transcript page 167

[12:51 p.m.](#) *Having no further business, a motion to adjourn was made by Commissioner Macdonald and passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated February 2, 2017
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated January 19, 2017
3. Impacts of Gambling in Massachusetts: Results of a Baseline Online Panel Survey (BOPS), Robert Williams, Penny Pekow, Rachel Volberg, Ed Stanek, Martha Zorn, and Amanda Houpt. (PowerPoint and Report)
4. Massachusetts Gaming Commission, Memo regarding Table Games Regulations
5. Public Comments received from MGM Springfield, Wynn, and Scientific Games regarding

the Table Games Regulations Memo

6. Draft Amendments to 205 CMR 152.00: Individuals Excluded from a Gaming Establishment
7. Public Comments received from MGM Springfield and Plainridge Park Casino regarding proposed amendments to 205 CMR 152.00
8. Massachusetts Gaming Commission, Memorandum dated January 31, 2017 regarding Table Game Equipment with Multi-State Survey Chart

/s/ Catherine Blue

Catherine Blue, Assistant Secretary