



---

## Massachusetts Gaming Commission Meeting Minutes

---

**Date/Time:** April 27, 2017 – 10:00 a.m.

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

10:00 a.m. Chairman Crosby called to order the 215<sup>th</sup> Commission meeting.

### **Approval of Minutes**

See transcript pages 2-4

10:00 a.m. *Commissioner Zuniga moved for the approval of the March 30, 2017, Commission meeting minutes as presented today. Motion seconded by Commissioner Stebbins. Commissioner Macdonald abstained from the vote as he was not present at the meeting. Motion passed 4 to 0 with 1 abstention.*

*Commissioner Zuniga moved for the approval of the April 13, 2017, Commission meeting minutes as presented and subject to any typographical or nonmaterial corrections. Motion seconded by Commissioner Cameron. Commissioner Stebbins noted that Edward Bedrosian's name was misspelled at 10:18 a.m. Commissioner Macdonald abstained from the vote as he was not present at the meeting. Motion passed 4 to 0 with 1 abstention.*

## **Administrative Update**

See transcript pages 4-87

10:02 a.m. Executive Director Edward Bedrosian, Jr. requested a delay on agenda item 3c because folks from Springfield have not arrived.

Executive Director Bedrosian reported that the next Commission meeting will be held on Wednesday, May 10<sup>th</sup>, as opposed to a Thursday.

Executive Director Bedrosian stated that the Chairman requested a review of the mission statement and core values. The mission statement and core values focus on the Commission's casino licensing phase. Executive Director Bedrosian stated that we are past that phase and need to think about moving forward. He stated that he worked with Deputy General Counsel Todd Grossman on suggested changes. The Commissioners discussed and offered changes. Executive Director Bedrosian stated that he will incorporate their changes and bring it back for a final review. He also noted that we broadly use the terms license and licensee. He stated that at some point we may want to clarify these terms.

10:15 a.m. Executive Director Bedrosian presented on gaming service employee registrations and disqualifications due to certain criminal convictions. He recognized that the criminal offender record information ("CORI") debate is an important issue. He stated that it is our conclusion that all casino employees must be registered or licensed. He stated that we looked at the law for exemptions and could find none. He noted that we are approaching MGM Springfield's hiring phase and we need to work with stakeholders to educate job applicants on the criteria for criminal disqualification and any misconceptions. Executive Director Bedrosian outlined the process going forward. He stated that there are many people who are interested in this topic, some are here today, and they should have an opportunity to be heard. He suggested that the Commission may want to put specific questions out for public comment and address them at the next Commission meeting in Springfield on May 25<sup>th</sup>.

Mike Mathis, President of MGM Springfield, stated that he thinks the process outlined makes sense and he looks forward to a robust conversation at a meeting in May. Commissioner Zuniga noted that out of approximately 750 registrations we had only 1 service employee registration denied because of a criminal conviction. He stated that data is something that we could use to frame this issue. Mr. Mathis stated that data is important as well as analysis of the statute. He also stated that they have done a desktop analysis and they are concerned about the impact on their local hiring recruitment targets if we don't find a way to resolve this.

Commissioner Zuniga suggested looking at other comparative jurisdictions. Commissioner Cameron stated that an important piece is education of what is a disqualifier so that potential applicants do not deselect. She stated that she likes what our staff is doing to help folks with hurdles. Karen Wells, Director of the Investigation and Enforcement Bureau ("IEB"), stated that stakeholders may want to consider educating folks about sealing their records as the Commission has decided that matters sealed are not to be considered in the registration process. Commissioner Stebbins stated that we should find a way for Commission staff to answer questions that individuals may have and we should see what more we can

do with regard to education. Commissioner Macdonald noted that in a revised decision our Supreme Court has acknowledged the prejudice that people can endure with a single criminal conviction and, in effect, has encouraged greater access to sealing. He stated that he would encourage education in this area.

Mr. Mathis requested an opportunity to respond to some of the legal arguments and to present their own. Mr. Mathis noted that folks who attended today's meeting are representatives from the following groups: Mayor's Office, Urban League, NAACP, Habitat for Humanity, and Friends of the Homeless. Chairman Crosby stated that folks can submit comments in writing.

10:42 a.m. Chairman Crosby presented his analysis of the governing law on this issue and the ambiguity of sections 16 and 30 (M.G.L. c. 23K). He noted that there are four categories of employees that we qualify to work at a gaming establishment: gaming licensees, key gaming employees, gaming employees, and service employees. He provided an overview of the criteria for automatic disqualification for licenses and registrations and the opportunity to show rehabilitation for certain categories. He also provided an overview of requirements in section 30. He stated that he feels that the two sections, 16 and 30, are conflicting and create a barrier for a demographic class intended to benefit from casino job opportunities.

10:56 a.m. Commissioner Cameron stated that she believes this matter requires a legislative fix. She requested to hear from Attorney Loretta Lillios as she has experience interpreting conflicting statutes. Loretta Lillios, Chief Enforcement Counsel /Deputy Director of the IEB, provided a summary of her professional background which includes statutory analysis. She presented her analysis on the tensions between sections 16 and 30 (M.G.L. c. 23K). She provided an overview of the principals used to resolve ambiguities. Commissioner Macdonald stated that it is important for people to understand that staff could not come to a conclusion on this issue and we should focus on remedies that are available. General Counsel Catherine Blue stated that a legislative history search was conducted and there is no information on this issue.

11:23 a.m. Mr. Mathis offered a preview of their statutory interpretation which included allowance for discretion on non-gaming employees.

11:26 a.m. Jeff Hayden, from the Casino Careers Training Institute at Holyoke Community College, stated that he will have data on this issue to present at the Commission meeting in May. He estimated that 30% of the folks who inquire about the training program do not enroll or drop out after enrollment due to CORI issues. He expressed concern about a limited labor pool in Western Massachusetts.

11:31 a.m. The Commission took a brief recess.

11:40 a.m. The meeting resumed.

11:40 a.m. Executive Director Bedrosian announced that Wynn Boston Harbor will be hosting an event for former and current Suffolk Downs employees who are interested in job opportunities at the casino. The event will be held on Saturday, April 29<sup>th</sup> at the Hilton Garden Inn in East Boston.

## **Investigations and Enforcement Bureau (IEB)**

See transcript pages 87-108

- [11:41 a.m.](#) Director Karen Wells presented on the licensee outside director background checks. She stated that they submitted a jurisdictional chart for the Commissioner's review, they put out a request for public comments, and they received comments from MGM, Wynn Resorts, the American Gaming Association, and Hal Shear from Board Assets. Director Wells stated that they currently conduct background checks for all outside directors and the question is if the Commission wants to make a change. Executive Director Bedrosian suggested that staff could explore the Pennsylvania model, look at our regulations and make sure that we can make the changes, and then offer the Commission a red line version. Chairman Crosby and Commissioners Stebbins and Zuniga stated that they would like to look at this further. Chairman Crosby stated that getting data would be helpful.
- [11:54 a.m.](#) Hal Shear, of Board Assets, stated that he has experience with corporate boards and training directors. He stated that the process for recruiting and electing directors to public company boards is very rigorous. He suggested that the Commission could rely on work that has already been done. He also suggested that the Commission look at the performance of the director in other corporations.
- [12:01 p.m.](#) Director Wells presented on an MGM qualifier suitability investigation for Yakima Brookins. Ms. Brookins is currently an executive director of internal audit at MGM Resorts. She provided a summary of her professional and educational background. She stated that an investigation was conducted with a positive determination for suitability. Ms. Brookins has also been found suitable in three gaming jurisdictions.
- [12:04 p.m.](#) *Commissioner Cameron moved that the Commission find Ms. Brookins suitable for this position. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

## **Licensing Division**

See transcript pages 108-141

- [12:04 p.m.](#) Paul Connelly, Director of Licensing, provided an overview of the licensing quarterly report which included activity counts for vendors and employees licensed or registered in the first quarter. Commissioner Zuniga requested information on the average amount of time it takes to process a license and registration. Director Connelly stated that he will provide that information. Commissioner Stebbins requested tracking the administrative closures.
- [12:12 p.m.](#) Director Connelly presented on changes made to the license and registration forms. He stated that they looked at efficiency, order of questions, simplifying instructions, and adding the ability to select not applicable when a question does not apply. He also reported that for service employee registrants they removed the DOR (Department of Revenue) request on the application. Chairman Crosby inquired about Hispanic/Latino and gender selections. Director Connelly stated that they are revisiting the race and gender sections and he will come back before the Commission with recommendations.

[12:27 p.m.](#) *Commissioner Stebbins moved that the Commission approve the updated license and registration forms as provided in the packet. Motion seconded by Commissioner Macdonald. Chairman Crosby amended the motion to include - subject to a pending review of the demographic section. Motion passed unanimously.*

[12:28 p.m.](#) Director Connelly presented on the amendments to the administrative closure regulation. He stated that the administrative closure regulation allows the Commission to administratively close an application when someone is non-responsive in the process. He stated that we currently have the ability to do an administrative closure but there are two different closing time frames – 30 days for vendors and 14 days for employees. He proposed harmonizing the two categories and make them each 21days.

He also stated that we currently have a 30-day penalty period for individuals to reapply when an application has been administratively closed. He stated that our licensees expressed concern that a 30-day hold could be damaging on the employment side. He proposed that if an individual's application is closed they can immediately reapply with a new application. Commissioner Cameron noted that we have a system in place to notify an individual a number of times before their application is closed. General Counsel Catherine Blue stated that this is the initial review of the amendments and we will bring them back at the next Commission meeting for a formal promulgation vote.

### **Legal Division**

See transcript pages 141-147

[12:35 p.m.](#) Deputy General Counsel Todd Grossman presented on amendments to 205 CMR 143.09 and reported that we received a comment from Scientific Games. He requested approval for the formal promulgation process. He noted that they are interested in receiving comment on a provision that provides that a malfunction voids all-pays.

[12:38 p.m.](#) *Commissioner Macdonald moved that the Commission approve the formal promulgation process for 205 CMR 143.01, 138.56, and 139.04. Deputy General Counsel Grossman stated that additional language pertains to slot machine data reports, and Gaming Technology Manager Floyd Barroga stated that they are seeking to standardize the report format for all licensees. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

12:40 p.m. The Commission took a brief recess.

12:43 p.m. The meeting resumed.

### **Research and Responsible Gaming**

See transcript pages 147-174

[12:43 p.m.](#) Director Mark Vander Linden provided an update on the research agenda reports and studies that will be coming out over the next several months. He stated that wave two of the MAGIC (Massachusetts Gaming Impact Cohort) study will be released on June 9<sup>th</sup> at the University of Massachusetts (Amherst) annual meeting for Commission research activities. He also reported that the SEIGMA (Social and

Economic Impacts of Gaming in Massachusetts) study will release a CHIA (Center for Health Information and Analysis) Report that looks at the costs of treating problem gambling in Massachusetts. This report will also be presented at the annual meeting on June 9<sup>th</sup>. He noted that the CHIA Report has been submitted for a journal peer-review process. The Patron Survey report, expected in June 2017, will provide information about patron origin, how patrons are spending their money at the casino and in the surrounding areas, and patron knowledge and attitudes about GameSense. The updated General Population Baseline Survey report has new weighted methods to provide a more accurate description of problem gambling in Massachusetts. This report is expected in July. The Plainridge Park Casino (“PPC”) New Employee Survey report will be presented to the Commission at the meeting on May 10<sup>th</sup>. The survey focuses on what motivated employees to seek employment at PPC, their employment status prior to working at PPC, and their impact on the local economy. Director Vander Linden reported on the Shiny Interactive Web application and stated that they will continue to work on how to communicate research data to stakeholders and mitigate harm. The PPC 12-Month Operation Report will be presented at the annual meeting on June 9<sup>th</sup>. This report will provide information on operator and patron spending and fiscal impacts. Director Vander Linden reported that Crime Analyst Christopher Bruce will present an 18-month update on public safety measures at the casino and in the surrounding communities. He reported that the Foxborough Police Department is now on board and part of the study. The evaluation studies for key responsible gaming initiatives (Voluntary Self-Exclusion, GameSense, and PlayMyWay) are being conducted by the Harvard Medical School, Cambridge Health Alliance Division on Addiction. An update on the Voluntary Self-Exclusion report will be provided in June, a report on the GameSense program will be provided in the late summer of 2017, and the PlayMyWay evaluation report is expected in July 2017. He also reported that the SEIGMA team is conducting a targeted survey in Plainville and the surrounding communities.

Mr. Vander Linden stated that he will work with the Research Design and Analysis Subcommittee of the Gaming Research Advisory Committee to make sure there is an appropriate peer-review process in place. He also stated that he will work with the Director of Communications on a plan to rollout these studies. Chairman Crosby stated that we are beginning to collect data that will inform our work.

Director Vander Linden provided an update on the study of gambling behavior among special populations in Massachusetts. He stated that the identified special populations are as follows: African American/Black, Veterans, Immigrants, Asians, and Hispanics. He stated that he received three proposals to conduct this study and he hopes to have contracts soon.

### **Commissioner’s Update**

See transcript page 174-179

1:15 p.m. Commissioner Stebbins stated that he had an opportunity to listen to an Innovation Group webinar about new developments in gaming which highlighted virtual reality games that appeal to a younger generation.

Chairman Crosby stated that he has been working with Commissioner Zuniga, Director Vander Linden, and the Mass. Council on Compulsive Gambling on a

regional (New England and New York) voluntary self-exclusion program. He stated that they are working on a standardized self-exclusion form.

Commissioner Stebbins noted that Senator Eric Lesser, Chairman of the Economic Development and Emerging Technologies Committee, had his Legislative Aid Samantha Kelly attend the Commission meeting today.

### **Other Business Not Reasonably Anticipated**

See transcript pages 179-180

1:20 p.m. *Having no further business, a motion to adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

### **List of Documents and Other Items Used**

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated April 27, 2017
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated March 30, 2017
3. Massachusetts Gaming Commission, Draft Meeting Minutes dated April 13, 2017
4. Massachusetts Gaming Commission, Draft Core Values and Mission Statement
5. Massachusetts Gaming Commission, Memorandum dated April 27, 2017 regarding Gaming Service Employee Registration Review – Automatic Criminal Conviction Disqualifiers
6. Treatment of Outside Directors in Other Jurisdictions (Casino Companies), Chart
7. Letter from the American Gaming Association to the Massachusetts Gaming Commission, dated April 25, 2017 regarding Background Investigation Requirements/Outside Directors
8. Letter from MGM Resorts (Fox Rothschild) to the Massachusetts Gaming Commission, dated April 25, 2017 regarding Background Investigation Requirements/Outside Directors
9. Letter from Wynn Resorts Development to the Massachusetts Gaming Commission, dated April 25, 2017 regarding Background Investigation Requirements/Outside Directors
10. Email from Yin Kon, Intergeneration Capital Management, to the Massachusetts Gaming Commission, dated April 25, 2017 regarding Background Investigation Requirements /Outside Directors
11. Email from Hal Shear, Board Assets, to the Massachusetts Gaming Commission, dated April 25, 2017, regarding Background Investigation Requirements/Outside Directors
12. Massachusetts Gaming Commission, Licensing Quarterly Report, dated January-March 2017
13. Draft Non-Gaming Vendor Registration Form
14. Draft Gaming Service Employee Registration Form
15. Draft Gaming Employee License Application Form
16. Draft Key Gaming Employee-Standard License Application Form
17. Draft amendments to 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations
18. Draft amendments to 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment
19. Draft amendments to 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls
20. Draft amendments to 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees
21. Massachusetts Gaming Commission, Research and Responsible Gaming Memorandum dated April 27, 2017 regarding Update on Research Deliverables

/s/ Catherine Blue  
Catherine Blue, Assistant Secretary