



MGC Newsletter

JANUARY 2019

We create and maintain a fair, transparent, and participatory process for implementing the expanded gaming law.

Governor Baker names Cathy M. Judd-Stein as Chair of the Gaming Commission

From the Office of Governor Charlie Baker and Lt. Governor Karyn Polito:

BOSTON — Today, Governor Charlie Baker appointed Cathy M. Judd-Stein as the Chair of the Massachusetts Gaming Commission. Judd-Stein, who has served as Deputy Chief Legal Counsel in the governor's office since 2015, has served as a legal advisor to five Massachusetts Governors, Executive Director of Governor Patrick's Judicial Nominating Commission, and General Counsel for the Massachusetts State Treasury.

"Cathy has built an impressive legal career over the last several decades providing sound guidance on complicated legal matters involving state law and public policy," said Governor Baker. "She is highly regarded not only here on Beacon Hill, but throughout the legal community for her expertise on a wide variety of legal issues, most notably the laws governing the ethics and conduct of public employees. Cathy's experience in state government and incredible diligence and attention to detail for every task she takes on are some of the many attributes that qualify her to be the Chair of the Gaming Commission. We thank Cathy for her contributions to our administration and look forward to her taking on this critically important position with the Commission. I also thank Gayle Cameron for serving as interim chair since late September."

"Cathy has played an invaluable role on our team over the last four years, advising Governor Baker and I on many important issues, including human resources, compliance and education policy," said Lieutenant Governor Polito. "I thank her for all she has done for our administration and look forward to her next task as Chair during a most transformative time for Massachusetts gaming."

"I am honored to have served Governor Baker and Lieutenant Governor Polito these last four years," said Cathy Judd-Stein. "I thank them for giving me this opportunity to continue working at the intersection of complex, important public and private sector issues and I look forward to working with my fellow Commissioners at the Massachusetts Gaming Commission."

The Massachusetts Gaming Commission was created after "An Act Establishing Expanded Gaming in the Commonwealth" was signed into law on November 22, 2011. The Commission is a five member independent body that is responsible for developing and managing the process to select, license, oversee, and regulate all expanded gaming facilities in the Commonwealth. The costs associated with operating the state's gaming commission is paid for by the gaming industry and not by Massachusetts tax dollars.

The Chair of the Commission is appointed by the Governor; one member is appointed by the Attorney General (whose appointee must have a background in criminal investigations and law enforcement); and one member is chosen by the State Treasurer (whose appointee must be proficient in corporate finance and securities). The remaining two commissioners are appointed by a majority vote of the same three constitutional officers.



Photo Courtesy: Sam Doran / State House News Service

About Cathy M. Judd-Stein

Cathy Judd-Stein currently serves as Deputy Chief Legal Counsel for the Office of the Governor. In that role, she provides guidance to Governor Charlie Baker and Lieutenant Governor Polito on a broad array of legal issues. She has spent much of her career dedicated to public service, advising extensively on public ethics and the state conflict of interest law, governmental reforms, and education and human services. Ms. Judd-Stein served as an instructor of “Ethics and Public Policy” for UMass Boston’s John W. McCormack Graduate School of Policy and Global Studies from 2007-2015.

In 2000, Governor Paul Cellucci appointed Ms. Judd-Stein to serve as Deputy Legal Counsel and his ethics advisor. She remained in that same position for Governors Jane Swift, Mitt Romney and Deval Patrick (through his transition), and then served as Governor Patrick’s Executive Director of the Judicial Nominating Commission. From 2011-2013, she worked at the Massachusetts State Lottery as Assistant Executive Director, Director of Policy and Special Counsel and then was named General Counsel of the State Treasury by the State Treasurer and Receiver. She served in that capacity until her appointment by Governor Baker in 2015.

A graduate of Dartmouth College and Harvard Law School, Ms. Judd-Stein is a Trustee of St. Johnsbury Academy in St. Johnsbury, Vermont. She also is a member of the Women’s Health Advisory Board for the Brigham and Women’s Hospital in Boston. She is a member of the national Board of Directors for GLAAD and a former President of the Class Officers Association at Dartmouth College.

Ms. Judd-Stein lives in Winchester, Massachusetts and she and her husband are the parents of three adult children.

Massachusetts Gaming Commission releases 2019 Community Mitigation Fund applications

As part of the effort to help offset impacts that may result from the development and operation of gaming facilities in the Commonwealth, the Massachusetts Legislature created the Community Mitigation Fund as part of the Expanded Gaming Act. After requesting and receiving thoughtful recommendations from the general public and from the gaming advisory committees created under the Act, the Commission approved Guidelines for the 2019 Community Mitigation Fund Program early in December. Pursuant to the Act, applications for funds are annually due in the beginning of February [February 1, 2019].



[LEARN MORE ABOUT THE 2019 COMMUNITY MITIGATION FUND](#)

SEIGMA team releases most comprehensive report on casinos ever undertaken and one-page "fact sheets"



The Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) team has officially released the [Social and Economic Impacts of Expanded Gambling in Massachusetts: 2018](#) report, which constitutes the most in-depth and comprehensive investigation of the impacts of introducing casino gambling ever undertaken.

Dr. Rachel Volberg, Principal Investigator of the SEIGMA study, comments, "No other jurisdiction has undertaken such a comprehensive study prior to introducing casino gambling, and none has worked to collect social and economic indicators as the casinos became operational. This inaugural report is an important resource for stakeholders in Massachusetts and elsewhere to understand the impacts of expanded gambling and work to maximize the benefits and minimize and mitigate the negative impacts."

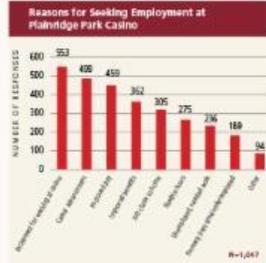
Half of People Hired at Plainridge Park Casino Previously Worked Part-Time or Unemployed

The UMass Lowell Institute's Economic and Public Policy Research team, a part of the larger SEIGMA team, strives to understand the economic and fiscal impacts of the introduction of casinos on the people and economy of the Commonwealth. Part of this is to understand the sort of jobs casino provides in Massachusetts, who they are employing, and whether casino employment represents an improvement to these workers' livelihoods. Future reports will further flesh out the demographic characteristics of the workforce.

Our findings from SEIGMA's new Employee Survey of Plainridge Park Casino: Analysis of First Two Years of Data Collection reveal several important characteristics of new hires at Plainridge Park casino and the emergent casino workforce in Massachusetts:

- Over 500 new positions were created at Plainridge Park Casino
- Major reasons new employees sought employment at Plainridge Park Casino were career advancement, improved pay, and improved benefits
- Plainridge Park Casino is creating employment opportunities for the unemployed and underemployed
 - 50% previously worked part-time or were unemployed
- Casino jobs are accessible for those who have little or no experience or training
 - 96% had no prior gaming experience and nearly 75% were without pre-employment training

- Plainridge Park Casino is hiring mostly local Massachusetts residents:
 - 93% did not move to take their jobs at the casino
 - Of those who moved to take their jobs at the casino, most relocated to Plainville and its surrounding communities



Note: Respondents were allowed to select more than one reason for seeking employment; as a result, totals for this question will exceed the total number of respondents.

SEIGMA PROJECT OVERVIEW

SEIGMA is a project that uses experts from several disciplines to carry out the different parts of the Massachusetts Gaming Commission's research effort. The project team is dedicated to working closely with many other groups throughout the Commonwealth. The study uses a state-of-the-art design, rigorous data collection and research methods, and a careful analytic approach to establish the effects of casino gambling at state, regional, and local levels. The SEIGMA team collects its own data as well as using data gathered by other organizations. The SEIGMA study is funded by the Massachusetts Gaming Commission.

www.umass.edu/seigma

Lottery Sales Unhurt by Plainridge Park Casino

As casino gambling expands in Massachusetts, the Commonwealth has made protecting the state lottery a priority. In determining whether an applicant would receive a license, the AGC evaluated how each applicant proposed to protect the lottery from adverse impacts, including developing cross-marketing strategies and increasing ticket sales to out-of-state residents. As part of the SEIGMA research team, the UMass Lowell Institute's Economic and Public Policy Research team is monitoring lottery sales to assess potential impacts. Detailed findings can be found in *Lottery Revenue and Plainridge Park Casino: Analysis After Two Years of Casino Operation*.

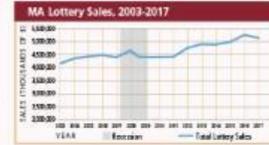
Lottery revenues are the largest source of unrestricted local aid and the second largest source of all local aid in Massachusetts. For instance:

- The lottery's net profit in 2017 was approximately \$1 billion — an all-time high
 - Almost all of those dollars went to Commonwealth municipalities as direct local aid
- The Town of Plainville, which hosts Plainridge Park Casino, received approximately \$700,000 from the lottery and other direct local aid sources in 2017
 - This represents 17% of the Town's total state aid and 2% of total receipts

Analyses of agent-specific lottery sales data suggest:

- No large, significant decline in lottery sales can be attributed to Plainridge Park Casino
- No pattern between lottery sales growth and proximity to the casino
 - Sales have not uniformly increased at greater distances from the casino

- Lottery sales in Plainville increased approximately 25% in the first year after Plainridge Park Casino opening
 - Remained at that level in the second year of operation
- No notable decline in lottery sales in Plainville since the opening of Plainridge Park Casino



Source: MA Lottery FY2008-2017, nominal dollar.



Source: MA Lottery FY2003-2017, nominal dollar.

SEIGMA PROJECT OVERVIEW

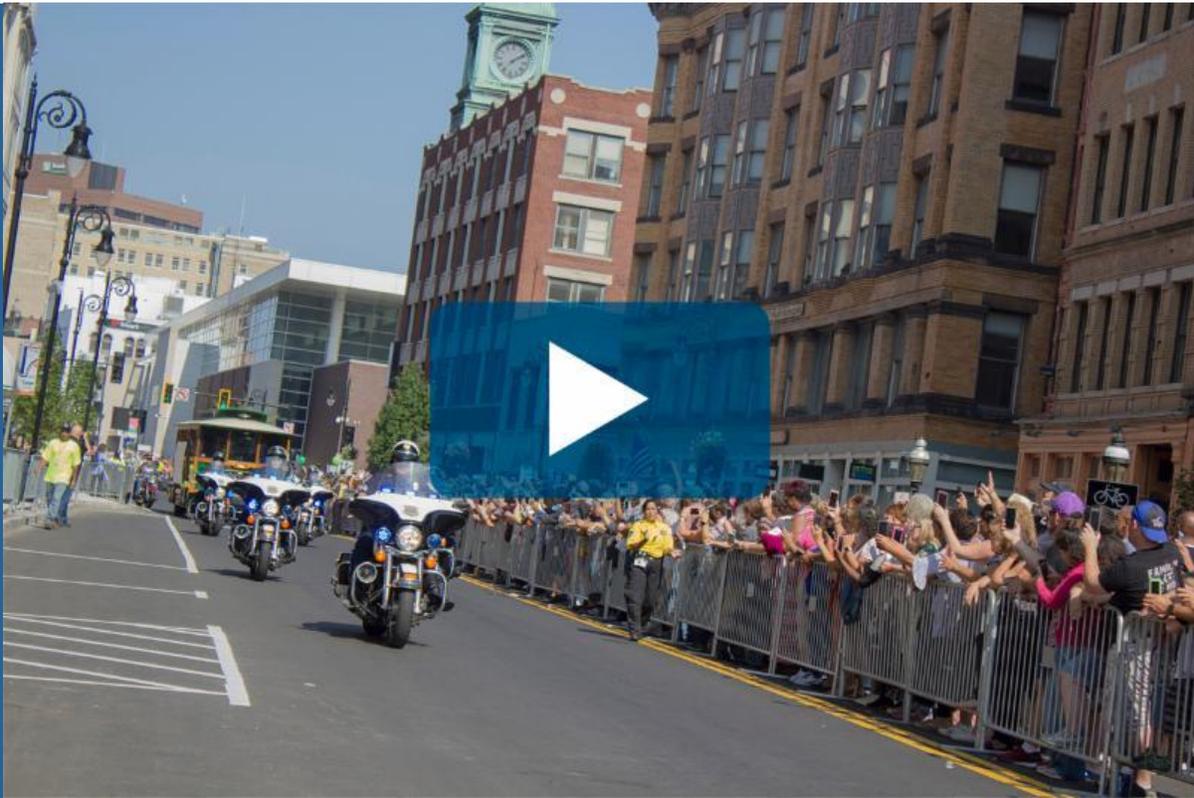
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READ THE REPORT AND VIEW THE FACT SHEETS

VIDEO: MGC's road to opening MGM Springfield

At a meeting of the Massachusetts Gaming Commission on December 20, 2018, the Massachusetts Gaming Commission reflected on the many regulatory and logistical steps it took to get to the August 24 opening of Massachusetts' first resort-casino, MGM Springfield.



MGC Workforce, Supplier, and Diversity Development team releases fact sheets on casino diversity impact

MGC's Workforce, Supplier, and Diversity Development team is excited to release fact sheets on the Massachusetts casino industry's impact on diversity. These figures show that in 2017, over 7,000 individuals found work related to the casino industry, including more than 6,000 in construction and more than 700 in operations. Massachusetts residents' wages amounted to \$18.7 million, and that's 77% of the total wages paid by the casinos. Additionally, more than 2,100 individuals on the project side met diversity criteria in 2017, including 1,377 minority workers, 393 veterans, and 378 women. And more than \$174.8 million was funneled from casino construction projects to certified minority-, woman-, and veteran-owned businesses.



CASINO INDUSTRY IMPACT REPORT 2017

WORKFORCE, BUSINESS, AND DIVERSITY IMPACTS

OVERVIEW

In 2017, Plainridge Park Casino had been operating over a year, having opened June 2015. MGM Springfield and Encore Boston Harbor had both broken ground and were under construction. Both the operations and construction phases of the three casinos contributed significantly to the workforce opportunities and economic impacts for Massachusetts residents and business owners, as well as minority, veteran, and women employees and business owners.



INDUSTRY JOBS IMPACT

JOB CREATION The impact the casinos had on the workforce during 2017.



* 2017 Operations During 2017, but MBE and VBE and WBE counts were under construction. * 2017 Operations include all 20 casinos, although MGM and ENH had not yet opened.

MA RESIDENT WAGES*

OVER \$18.7 MILLION



* MA Resident Wages reported for casino operations salaries/benefits only. Not inclusive of wages paid out to construction workers.

MA EMPLOYMENT

The total number of permanent employees (not including construction) who were living in MA upon hire.



PROGRAMMING IMPACTS

SUPPORT FOR WORKFORCE AND DIVERSITY INITIATIVES

MGC provides grants, sponsorships and other funding to organizations in support of diversity and workforce development.



Organizations Supported	Grants	Campaign for Women in Construction	Diversity Programs and Event Sponsorships
12	\$207,000	\$125,000+	\$14,000+

INDUSTRY JOBS IMPACT CONT.

CONSTRUCTION EMPLOYMENT



WORKFORCE DIVERSITY With one casino operational and two under construction, 82% of permanent casino employees and 34% of the construction project workforce were composed of minorities, veterans and women.

Operations



Construction



INDUSTRY ECONOMIC IMPACT ON BUSINESS

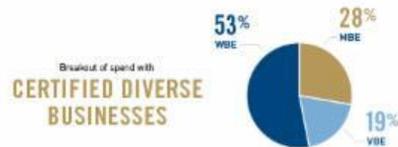
MA VENDOR/SUPPLIER SPEND The impact on local businesses serving the casino industry.

**OVER \$617.7 MILLION
SPENT WITH MA BUSINESSES IN 2017**

PLAINRIDGE PARK CASINO | MGM SPRINGFIELD | ENCORE BOSTON HARBOR | 2017

INDUSTRY IMPACT ON DIVERSE-OWNED BUSINESS

DIVERSE VENDOR SPEND Casino spending with minority-owned (MBE), veteran-owned (VBE) and woman-owned (WBE) businesses.



[VIEW THE PDF](#)

Commissioner Gayle Cameron profiled by her alma mater, Bridgewater State University

Excerpted from "Safe Bet", posted on
www.bridgew.edu

Life, like the roll of a dice, can be unpredictable. But, Gayle Cameron, '78, knows firsthand how a Bridgewater State education pays dividends wherever a graduate ends up.

As a student, she never imagined she'd one day sit at the head of the Massachusetts Gaming Commission, tasked with licensing and overseeing casinos and slots parlors in the Bay State. She views her position as an opportunity to "stand up for what's right on behalf of the commonwealth."



READ THE FULL ARTICLE

2019 horse racing license application forms now available

Application forms both for participants who were and were not licensed in 2018 are now available at the below link.



VIEW APPLICATION FORMS

Revenue Report

The month of December 2018 at Plainridge Park Casino (PPC) and MGM Springfield generated approximately \$35,673,091.00 in Gross Gaming Revenue (GGR). PPC, a category 2 slots facility, is taxed on 49% of GGR. Of that total taxed amount, 82% is paid to Local Aid and 18% is allotted to the Race Horse Development Fund. MGM Springfield, a category 1 resort-casino, is taxed on 25% of GGR; those monies are [allocated to several specific state funds](#) as determined by the gaming statute.

To date, the Commonwealth has collected approximately \$309,398,431.00 in total taxes and assessments from PPC and MGM since the respective openings of each gaming facility.

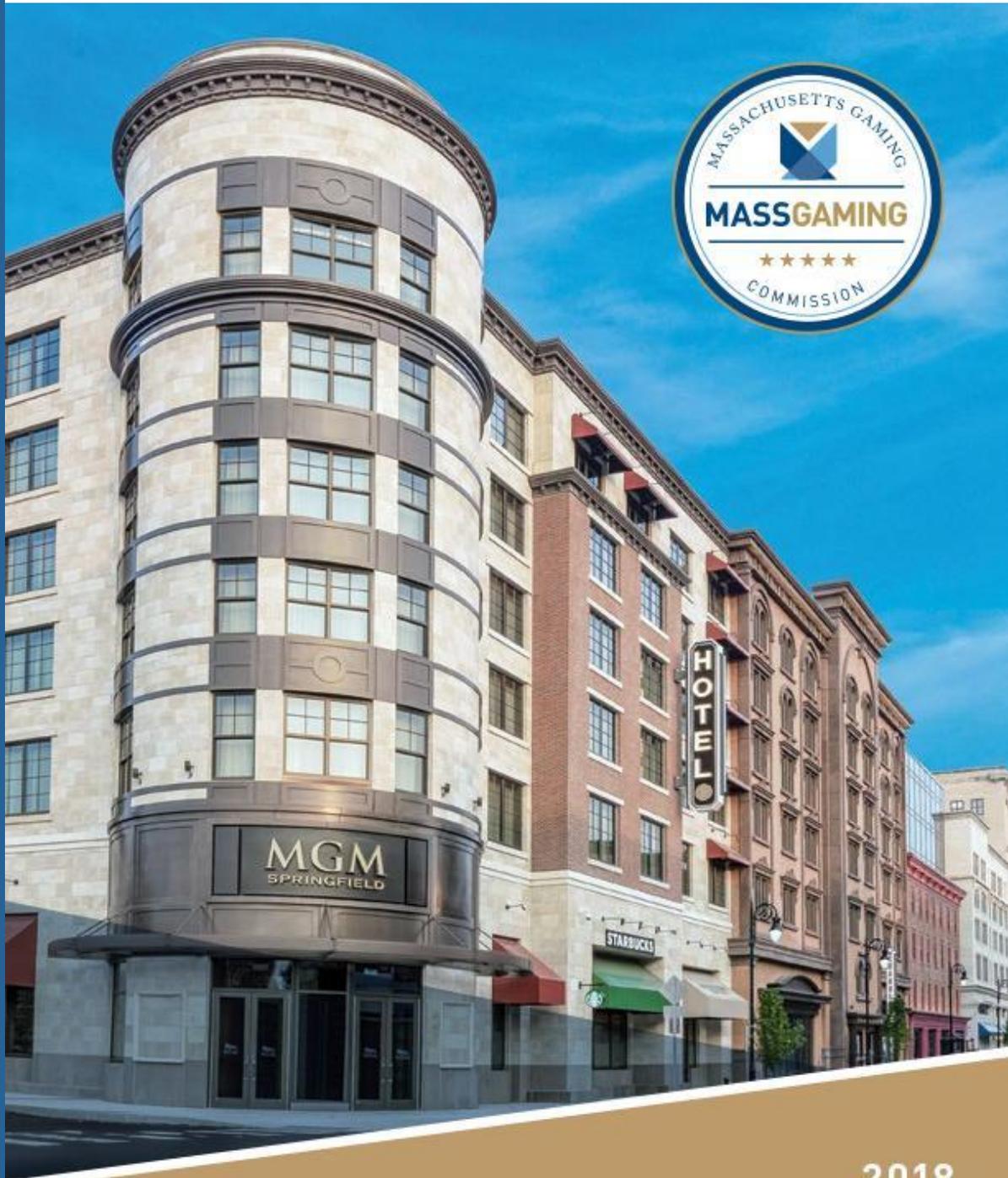
DECEMBER 2018	GROSS GAMING REVENUE		TAXES
MGM SPRINGFIELD SUBJECT TO 25% TAXES	TABLE	\$7,327,706.82	
	SLOTS	\$14,255,518.22	
	TOTAL	\$21,583,225.04	\$5,395,806.26
PLAINRIDGE PARK CASINO SUBJECT TO 49% TAXES	SLOTS	\$14,089,866.43	
	TOTAL	\$14,089,866.43	\$6,904,034.55
TOTAL TAXES			\$12,299,840.81

MGC 2018 Annual Report

We are pleased to deliver the seventh annual report of the Massachusetts Gaming Commission. This report covers the details of our operations as of the end of the Fiscal Year 2018 (June 30, 2018), and is submitted in accordance with section 70 of Chapter 23K. During FY18 we continued to implement the operational readiness process in anticipation of the opening of MGM Springfield.

This fiscal year we also increased funding for workforce development activities that leverage existing efforts at the state and local levels to help provide opportunities for employment. The third full year of operations for Plainridge Park Casino concluded on June 30, 2018. The total gaming tax revenues collected for the fiscal year were \$170.0M with \$68.0M of that directed to Local Aid.

Click on the image below to review the 2018 Annual Report, which notes MGC's progress in implementing the Expanded Gaming Act during FY18, and looks ahead to anticipated milestones in FY19.



2018
ANNUAL REPORT



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