

FORMER CRITIC OF CASINOS WILL SHAPE INDUSTRY'S GROWTH IN MASSACHUSETTS

By Matt Murphy
STATE HOUSE NEWS SERVICE

STATE HOUSE, BOSTON, DEC. 13, 2011.....UMass-Boston Dean Stephen Crosby will wield significant influence over the introduction of casino gambling to Massachusetts, but Crosby not long ago counted himself among the gaming expansion detractors in the state.

In his choice of Crosby to chair the new five-person Gaming Commission, Gov. Deval Patrick selected someone who not only has no experience with gambling, but who once called expanded gaming a "regressive and thoughtless and unproductive way to raise money."

Crosby, who was introduced Tuesday as Patrick's pick, admitted that he has gone through an "evolution" on expanded gaming from reticence to acceptance.

In his new position, Crosby, 66, will lead a commission with a \$15 million budget and broad authority to implement and regulate a fledgling casino gambling industry in Massachusetts. The early decisions facing the commission include whether to raise the minimum \$85 million casino license fees, and to clarify rules governing host community agreements with applicants over mitigation for roads, lost business and other impacts.

"The issue of whether or not to authorize expanded casino gambling, expanded gaming, is decided. Some people abhor it. Some people love it. It has public good, and it has public bad like the liquor industry, the gun industry, coal-fired power plants and banks to name just a few," Crosby told reporters as he stood next to Patrick outside the governor's office.

Crosby works as dean of the McCormack Graduate School of Policy and Global Studies at UMass Boston. He worked as the secretary of administration and finance under Republican Gov. Paul Cellucci and chief of staff to GOP Gov. Jane Swift, as well for Republican Gov. Frank Sargent and Boston Mayor Kevin White, a Democrat.

Crosby is an unenrolled voter, and lives with his wife Helen in Jamaica Plain. He will earn \$150,000 in his new position, a pay decrease from his job at UMass Boston.

"I think it's a very wise move on the governor's part. The position obviously calls for someone with enormous integrity and good judgment and Stephen has both of those things in spades," Swift told the News Service.

Crosby said he gave the governor a commitment of at least two years to get expanded gaming off the ground in Massachusetts, but said he intends ultimately to return to UMass Boston. The university described Crosby as "on loan" to the commission in a letter to the UMass Boston community, and said he would remain on staff until the commission convenes, likely in February.

In 2010 on the eve of the collapse of the negotiations on Beacon Hill over expanded gambling, Crosby told the Wall Street Journal the recession had worn down concerns over the negative impacts of gambling

on society.

"I thought it was a regressive and thoughtless and unproductive way to raise money," he told the newspaper. "But eventually I decided that as the need for money got greater and greater, it's a little silly to be making a point of principle when you've got gambling casinos all around you."

Crosby on Tuesday acknowledged having "reservations" while working under Cellucci, but said, "Ultimately I came to the decision we might as well do it and do it right."

Patrick said the commission would focus on maximizing new jobs and private investment when selecting winners for the three casino licenses, and Crosby said it would be his responsibility to "maximize the public good, and minimize unintended consequences."

The appointment of Crosby to lead the commission – a post that carries an initial seven-year term – drew a mixed reaction from the state's most ardent casino opponents.

"Who could have guessed that the best person to run a failed government program based on pushing people into deeper personal debt and creating addiction in order to feed off of it would have been another longtime government official," said Les Bernal, Executive Director of Stop Predatory Gambling.

Former Attorney General Scott Harshbarger, however, called Patrick's decision an "inspired selection" that sets the tone for choosing the remaining four commissioners.

"Steve is a bipartisan realist with strong credentials, demonstrated independence and impressive experience in both the public and private sectors. He is smart, tough and honest and I hope his selection sets the standard for strong appointments from the Governor, Attorney General and Treasurer," Harshbarger, an outspoken opponent of casinos, said in a statement.

Patrick called Crosby's integrity "beyond reproach," said he possesses the capacity to launch a new organization, and noted he has lived in Massachusetts for 50 years and appreciates the culture and history of the state.

As someone with years of experience working within and on the margins of state and city politics in Boston, Crosby said he has already consulted with the Ethics Commission and will not be speaking to anyone with an interest in a possible casino or slot license.

Since 2002, Crosby has donated \$2,600 to political candidates, including a \$250 donation in 2005 to Boston Mayor Thomas Menino, whose stated preference is for a casino in eastern Massachusetts at Suffolk Downs. Patriots owner Robert Kraft and casino mogul Steve Wynn have also teamed up for a potential bid in the region in Foxboro.

Crosby told reporters Tuesday that he "knows" and "likes" Menino, but said he has never worked closely with the mayor and has been on both sides of public debates with Menino.

"You can't not be who you are, but the rules and standards here are very rigorous," Crosby said, adding, "I will not lose my friendships, but I will barrier my friendships at my responsibilities for this job."

Swift said if anyone can rise above the backscratching culture of Beacon Hill politics, it's Crosby.

“Anybody who has ever worked with him will tell you he was least impacted by the niceties and practices of state government so he has maintained his independent and ornery streak and it will serve him well in this role,” Swift said.

Crosby said neither he nor his wife hold any stocks in casinos or other gaming interests, and all of their holdings will be made public in a financial disclosure.

“Nothing, nothing poisons the public perception more than the suspicion that something’s going on under the table. We will be doing everything we absolutely can to avoid that suspicion and reality,” Crosby said, vowing to make the application process as transparent as possible.

Aside from a few scratch tickets and a visit with his family to a casino in Cripple Creek, Colo., Crosby said he is not a gambler, and he declined to offer a timeline on when he thinks the doors might open on a casino in Massachusetts.

“I am familiar with the grand jury investigation in Pennsylvania, and it’s pretty clear to me that one of the destructive forces in Pennsylvania was the sense of urgency to do something fast. I do not have that urgency,” Crosby said.

The commission, created in an expanded gambling law signed last month, will have broad authority over the establishment and governance of a new casino industry.

The commission is charged with reviewing and selecting winning applications for each of three casino licenses and one slot parlor license. The commission may also opt to withhold any or all licenses if it determines that the proposals don't carry enough economic benefit.

The commission is required to issue regulations outlining the method for evaluating casino applications, and criteria must include evaluation of architectural design, integration of the establishment into its surroundings, access to multi-modal transportation, tourism appeal, capital investment, and the applicant's financial strength.

Attorney General Martha Coakley and Treasurer Steven Grossman are each authorized to name an appointee of staggered term lengths. The remaining two appointees are to be jointly selected by Patrick, Coakley and Grossman.

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