



STATE OF CALIFORNIA

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GAMBLING CONTROL COMMISSION

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Date: May 28, 2010

To: Interested Parties

Subject: Minimum Internal Control Standards (MICS) for Gambling Establishments;
Gambling Floor Operations and House Rules

This letter will serve to update interested parties on the progress and status of proposed regulations regarding the third phase of the MICS regulations addressing gambling floor operations and house rules (MICS III). This will also serve as an invitation to attend a second public workshop regarding the proposed MICS III regulations.

On January 21, 2010, as part of the informal steps in the regulations development process, a MICS III public workshop was conducted at the California Gambling Control Commission (Commission) hearing room in Sacramento. In attendance at this workshop were numerous representatives from the cardroom industry, as well as staff representatives from both the Commission and the Bureau of Gambling Control (Bureau). The workshop was held to discuss the attached draft MICS III regulation text entitled *Specific Language of Proposed Regulations*, dated December 22, 2009. [\[ATTACHMENT 1\]](#)

Following the January 21st workshop, Commission staff developed the attached document entitled *Comments and Responses for Proposed Regulations*, dated January 21, 2010. [\[ATTACHMENT 2\]](#) This document summarizes the comments received at the workshop and provides responses proposed by Commission staff. Many of the comments made at the workshop were accepted, and Commission staff developed the resulting *Modified Text of Proposed Regulations*, dated February 23, 2010. [\[ATTACHMENT 3\]](#)

On March 4, 2010, Commission and Bureau staff met to discuss the proposed changes to the text. The attached *Modified Text of Proposed Regulations*, dated March 25, 2010 [\[ATTACHMENT 4\]](#), incorporates the changes that were recommended by the Bureau at the meeting of March 4th. Before scheduling another public workshop, Commission staff provided to the Bureau a copy of the March 25th version of the text. As a result, Bureau staff proposed yet three additional changes to the regulations. These changes are displayed in the attached *Modified Text of Proposed Regulations*, dated April 26, 2010. [\[ATTACHMENT 5\]](#) Commission staff's proposed responses to these last three changes are also attached in the document entitled *Comments and Responses for Proposed Regulations*, dated April 26, 2010. [\[ATTACHMENT 6\]](#)

Interested parties are invited to a second informal public Commission/Bureau/Industry workshop regarding these proposed MICS III regulations which will be held June 30, 2010 at 10:00 a.m., at:

California Gambling Control Commission
Hearing Room, Suite 100
2399 Gateway Oaks Drive
Sacramento, CA 95833-4231

Those interested parties wishing to comment on these proposed regulations may do so at the workshop on June 30th. If you plan to attend the workshop, there is no need to send written comments to the Commission. However, if you wish to make comments, but are unable to attend the workshop, you may submit written comments to the following contact person by no later than 5:00 p.m., June 16, 2010:

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