

**State of California
Office of Administrative Law**

In re:
California Gambling Control Commission

**NOTICE OF APPROVAL OF REGULATORY
ACTION**

Regulatory Action:

Government Code Section 11349.3

Title 4, California Code of Regulations

OAL File No. 2014-0505-01 S

Adopt sections: 12387
Amend sections: 12360, 12386
Repeal sections:

The California Gambling Control Commission proposed this action to amend two sections and adopt one section in title 4 of the California Code of Regulations pertaining to written policies and procedures containing minimum internal control standards (MICS) that California gambling establishments must maintain. The MICS are related to cage operation and functions, security of floor banks, and security of gambling equipment and confidential documents.

OAL approves this regulatory action pursuant to section 11349.3 of the Government Code. This regulatory action becomes effective on 10/1/2014.

Date: 6/11/2014



Richard L. Smith
Senior Attorney

For: DEBRA M. CORNEZ
Director

Original: Tina Littleton
Copy: James Allen

REGULAR

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-2013-1004-01	REGULATORY ACTION NUMBER 2014-0505-015	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	

ENDORSED FILED
THE OFFICE OF

2014 JUN 11 PM 2:59

Debra Bowen
DEBRA BOWEN
SECRETARY OF STATE

2014 MAY -5 AM 11:35
OFFICE OF
ADMINISTRATIVE LAW

AGENCY WITH RULEMAKING AUTHORITY
California Gambling Control Commission

AGENCY FILE NUMBER (If any)
CGCC-GCA-2013-04-R

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 2013, 422	PUBLICATION DATE 10-18-2013

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) MICS IV-Cage Operation; Security of Floor Banks, Equipment, etc.	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) n/a
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)	
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT § 12387 AMEND §§ 12360 and 12386 REPEAL
TITLE(S) 4	

3. TYPE OF FILING			
<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Other (Specify)	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)
February 11, 2014 - February 26, 2014

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)
 Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) Effective on filing with Secretary of State §100 Changes Without Regulatory Effect Effective other (Specify)

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

Department of Finance (Form STD. 399) (SAM §6660) Fair Political Practices Commission State Fire Marshal

Other (Specify)

7. CONTACT PERSON James Allen	TELEPHONE NUMBER (916) 263-4024	FAX NUMBER (Optional) (916) 263-4099	E-MAIL ADDRESS (Optional) jallen@cgcc.ca.gov
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8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE <i>Richard J. Lopes</i>	DATE 5/2/2014
TYPED NAME AND TITLE OF SIGNATORY RICHARD J. LOPES, Chairman	

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ENDORSED APPROVED

JUN 11 2014

Office of Administrative Law

1 CALIFORNIA GAMBLING CONTROL COMMISSION

2 **MINIMUM INTERNAL CONTROL STANDARDS (MICS) FOR GAMBLING ESTABLISHMENTS:**
3 **CAGE OPERATION AND FUNCTIONS; SECURITY OF FLOOR BANKS, GAMBLING EQUIPMENT AND**

4 **CONFIDENTIAL DOCUMENTS**

5 CGCC-GCA-2013-04-R

6 **ORDER OF ADOPTION**

7
8 The California Gambling Control Commission hereby adopts the following changes in its
9 regulations contained in Division 18 of Title 4 of the California Code of Regulations:

10
11 CHAPTER 7. CONDITIONS OF OPERATION FOR GAMBLING ESTABLISHMENTS.

12 ARTICLE 1. GENERAL PROVISIONS.

13 **§ 12360. Chapter Definitions.**

14 Except as otherwise provided in Section 12002 of these regulations, the definitions in
15 Business and Professions Code section 19805 govern the construction of this chapter. As used in
16 this chapter:

17 (a) “Cage bank” means a fund consisting of monetary assets including, but not limited to,
18 gambling chips, cash, and cash equivalents, maintained inside a cage for use in gambling
19 operations.

20 (b) “Cashier bank” means an imprest fund consisting of monetary assets including, but not
21 limited to, gambling chips, cash, and cash equivalents, maintained for or by an individual cashier
22 inside a cage.

23 (c) “Confidential document” means any document or record, whether maintained in writing
24 or electronically, concerning any entity, individual, or group of individuals that contains any
25 private financial or personal information directly obtained from or provided by the subject (e.g.,
26 credit and check cashing information, exclusion lists, Title 31 reports, etc.), or documents that
27 are otherwise protected under any other provision of law, and includes documents and
28 information the public disclosure of which may jeopardize the safety and security of patrons,
29 employees, and their property, the assets of the gambling enterprise, or the integrity of gambling
30 operations.

31 (d) “Floor bank” means an imprest fund consisting of monetary assets including, but not

1 limited to, gambling chips, cash, and cash equivalents, maintained outside a cage on or near the
2 gambling floor.

3 (e) “Gambling equipment” means any equipment, devices, or supplies used or intended for
4 use in the play of any controlled game, and includes, but is not limited to, playing cards, tiles,
5 dice, dice cups, card shufflers, and gaming tables.

6 (f) “Gaming activity” has the same meaning as defined in Title 11, CCR, Section 2010,
7 subsection (f).

8 (bg) “House rules” means a set of written policies and procedures, established by a gambling
9 enterprise, which set general parameters under which that gambling enterprise operates the play
10 of controlled games.

11 (eh) “Licensee” means “owner licensee” as defined in Business and Professions Code section
12 19805, subdivision (ad).

13 (di) “Security department” means the operational entity within a gambling establishment that
14 is responsible, but not necessarily solely responsible, for patrol of the public areas of the
15 establishment, and to assist in:

- 16 (1) Maintaining order and security;
17 (2) Excluding underage patrons;
18 (3) Responding to incidents involving patrons or others;
19 (4) Detecting, reporting and deterring suspected illegal activity; and
20 (5) Completing incident reports.

21 (ej) “Surveillance unit” means the operational system or entity within a gambling
22 establishment that is responsible for the video recording, as may be specified in Article 3 of this
23 chapter, of all activities required to be under surveillance, monitored and/or recorded pursuant to
24 the Act and this division for the purposes of detecting, documenting and reporting suspected
25 illegal activities, including suspected gambling by persons under 21 years of age, and assisting
26 the personnel of the security department in the performance of their duties.

27 Note: Authority cited: Section 19811, 19824, 19840, 19841 and 19924, Business and Professions Code.
28 Reference: Section 19805, 19841, 19860 and 19924, Business and Professions Code.

29
30 ARTICLE 3. MINIMUM INTERNAL CONTROL STANDARDS (MICS)
31 FOR GAMBLING ESTABLISHMENTS.

1 § 12386. Cage Operation and Functions.

2 (a) The policies and procedures for all ~~T~~ tiers shall meet or exceed the following standards for
3 ~~the~~ cages:

4 (1) The licensee shall maintain within the gambling establishment at least one separate and
5 secure area at a fixed location ~~that is accessible to the public, and~~ that is designated as ~~the~~ a cage.
6 ~~The~~ A cage shall be located, designed, constructed and operated to provide convenience for
7 patron transactions while maintaining appropriate security and accountability for ~~funds~~ all
8 monetary transactions occurring at the cage and all cage contents.

9 (2) The licensee shall ~~designate~~ assign at least one gambling enterprise employee to process
10 monetary transactions ~~through the~~ at a cage. The titles, classifications, or positions of ~~A~~ all
11 employees ~~designated~~ assigned to process monetary transactions ~~through the~~ at a cage shall be
12 listed ~~by title or position~~ on the gambling ~~establishment's~~ enterprise's organizational chart, ~~and~~
13 ~~shall be responsible for~~. The assigned employees' duties may include any or all of the following:

14 (A) Custody of the cage inventory or individual ~~cage drawer inventory~~ cashiers' banks,
15 which is comprised of currency, coin, patron checks, gambling chips, forms, documents and
16 records consistent with the operation of a cage or an individual ~~cage drawer~~ cashier's bank.

17 (B) Receipt, and distribution, ~~and redemption~~ of gambling chips through internal operations.

18 (C) Sale and redemption of chips through patron transactions.

19 (D) Deposits to and withdrawals from players' banks and dealers' banks, if applicable.

20 ~~(DE)~~ ~~Cashing checks~~ Check cashing and/or extensions of credit for patrons, as permitted by
21 the licensee's policies and procedures.

22 ~~(EF)~~ Preparation of cage accountability reconciliations and records necessary to document
23 compliance with the requirements of this chapter.

24 ~~(FG)~~ Recording patron information that is necessary for compliance with the requirements of
25 sections 5313 and 5314 of Title 31 of the United States Code, ~~sections 103.21, 103.22, 103.23,~~
26 ~~103.63 and 103.64~~ applicable regulations in Chapter X (effective as of July 1, 2011) of Title 31
27 of the Code of Federal Regulations and any successor provisions, and subsection (a) of Section
28 12404 of this chapter.

29 ~~(GH)~~ ~~Ensuring~~ ~~t~~ The proper accounting and safeguarding of ~~funds and chips~~ any cage bank or
30 cashier's bank, and gambling equipment or confidential documents when kept in a cage.

31 (3) Routine access and entry into ~~the~~ a cage, or an area designated as a cage pursuant to

1 paragraph (1) of this subsection, shall be limited to on-duty cage personnel ~~designated~~ assigned
2 pursuant to paragraph (2) of this subsection. Other employees of the gambling ~~establishment~~
3 enterprise who hold a valid gambling license, key employee license, or work permit may be
4 granted access to ~~the a cage or~~ cage area for the purpose of performing their duties.

5 (4) A log shall be maintained, either in writing or electronically, to document entry into ~~the a~~ a
6 cage by any person not authorized access pursuant to paragraphs (2) and (3) of this subsection.
7 The log must contain the person's name, title, date of entry, and time entering and exiting; or
8 provide substantially equivalent information through an automated access control system. Any
9 automated access control system must provide a secure, tamperproof means of recording and
10 maintaining entry and exit information.

11 (5)(A) Cage ~~activity and cashiers' banks~~ shall be reconciled after each shift by the incoming
12 and outgoing ~~designated assigned~~ cage employees. If an imprest ~~drawer~~ is used, each outgoing
13 ~~designated~~ cage employee responsible for an imprest ~~drawer~~ shall ~~reconcile~~ balance his or her
14 ~~drawer imprest~~ to the imprest amount. ~~All transactions that flow through the cage shall be~~
15 ~~appropriately summarized and documented, in writing, for each shift.~~ The recordable cage
16 ~~activity transactions and~~ reconciliations shall be posted and reconciled to the general ledger at
17 least monthly. ~~For the purposes of this paragraph, the word "shift" means an individual~~
18 ~~employee's shift, or two or more employees that work the same schedule.~~

19 (B) The reconciliation of each cage and cashiers' bank shall be documented on a cage
20 accountability form that shall include, at a minimum, all of the following, as applicable:

- 21 1. The date of the reconciliation;
- 22 2. The designation of the shift being reconciled;
- 23 3. An accounting of the contents of the cage bank, cashiers' banks, and, if applicable,
24 players' banks in use during the subject shift, including:
 - 25 i. The beginning shift balances, unless an imprest is used;
 - 26 ii. All transactions recordable to the general ledger;
 - 27 iii. The ending balances of cash and chips;
 - 28 iv. An identification of any overage or shortage with an explanation, if known.
- 29 4. The amount assigned or issued from the cage to dealers' banks and floor banks in use
30 during the subject shift.
- 31 5. The printed name and signature of each assigned cage employee performing the

1 reconciliation, as applicable.

2 (6) The purchase or redemption of gambling chips by a patron may only occur at ~~the a~~ cage
3 or from ~~a designated~~ an authorized gambling ~~establishment~~ enterprise employee on the gambling
4 floor. Licensees shall not permit proposition player services providers to purchase or redeem
5 gambling chips for cash or cash equivalents from a patron or to sell gambling chips to a patron.
6 For the purposes of this article, the sale, purchase or redemption of gambling chips ~~or the sale of~~
7 ~~chips~~ shall not include the exchange of a chip or chips of one total value for a chip or chips of an
8 equal total value.

9 (7) If a licensee operates more than one cage at any time during any shift, all cages,
10 irrespective of their designations (e.g., main cage, satellite cage, auxiliary cage, supplementary
11 cage, secondary cage, back up cage, support cage, etc.), shall be subject to and comply with all
12 provisions of this article applicable to the operation and functions of cages for the licensee's tier.

13 (b) In addition to the requirements of subsection (a), the policies and procedures for Tiers III
14 through and including V shall ~~include the following standards for the cage:~~

15 ~~(1) The cage and cage activities shall be under continuous recorded video surveillance.~~

16 ~~(2) The reconciliation of the cage transactions provided for in paragraph (5) of subsection (a),~~
17 ~~shall be summarized on a cage accountability form that shall include, at a minimum, all of the~~
18 ~~following, as applicable:~~

19 ~~(A) The date of the reconciliation;~~

20 ~~(B) The designation of the shift being reconciled;~~

21 ~~(C) An accounting of all items in the cage inventory (e.g., cash, coin, chips, players' and~~
22 ~~dealers' banks, etc.), for each cage window, drawer or bankroll in use during the subject shift,~~
23 ~~including:~~

24 ~~1. The beginning shift balances, unless an imprest drawer is used;~~

25 ~~2. All credits (receipts);~~

26 ~~3. All debits (disbursements);~~

27 ~~4. The ending balances;~~

28 ~~5. An identification of any overage or shortage with an explanation, if known.~~

29 ~~(D) The printed name and signature of each designated cage employee (incoming and~~
30 ~~outgoing, unless an imprest drawer is used) performing the reconciliation.~~

31 ~~(3) The~~ require that the cage ~~activity~~ and cashiers' banks reconciliations specified in

1 paragraph ~~(25)~~ of ~~this~~ subsection (a) shall be posted and reconciled to the general ledger, ~~as~~
2 ~~provided in paragraph (5) of subsection (a)~~, by someone other than ~~a designated~~ an assigned cage
3 employee or cage supervisor.

4 (c) In addition to the requirements of subsections (a) and (b), the policies and procedures for
5 Tiers IV and V shall include the following standards for ~~the~~ a cage:

6 (1) A cage shall be a secure enclosed structure with at least one cashier window through
7 which items such as gambling chips, cash, checks, and documents may be passed to serve
8 patrons and gambling enterprise employees. The design and construction of ~~the~~ a cage shall
9 include:

10 (A) Secure cashier windows designed to prevent entry by a patron or another individual, and
11 to prevent theft from the cage;

12 (B) A manually triggered silent alarm system connected directly to the surveillance unit, or
13 its equivalent, or an alarm monitoring agency; and

14 (BC) Access through a secured door or doors, which shall be under constant recorded video
15 surveillance in accordance with the applicable provisions of Section 12396.

16 (2) In addition to the information specified in paragraph ~~(25)~~ of subsection ~~(ba)~~, the cage
17 accountability form referenced therein shall include an itemization of the following, ~~with~~
18 ~~beginning and ending balances for non-imprest drawers, and ending balances for imprest~~
19 ~~drawers:~~

20 (A) Cash and coin by denomination;

21 (B) Gambling ~~C~~ chips by denomination;

22 (C) All other items of monetary value (e.g., markers, patron checks, players' ~~and dealers'~~
23 ~~banks, chip runners' banks~~, etc.), specifying the ~~source~~ amount of each;

24 (D) The amount assigned to each dealer's bank and floor bank.

25 (3) The licensee shall maintain a ~~list~~ record, either in writing or electronically, of the names
26 or classifications of all persons ~~designated~~ assigned pursuant to paragraph (2) of subsection (a) as
27 being authorized to access ~~and/or enter~~ the a cage, which ~~list~~ record shall specify those persons
28 who possess the combination or the keys or who control the mechanism to open the devices
29 securing the entrance to ~~the~~ a cage, and those who possess the ability to operate the alarm
30 system. The record shall be updated each time an assignment is added or deleted.

31 (d) In addition to the requirements of subsections (a), (b) and (c), the policies and procedures

1 for Tier V shall include standards for ~~the a~~ cage that require monitored and recorded video
2 surveillance of the interior of the cage and all of its contents, and the exterior of all access doors
3 in accordance with the applicable provisions of Section 12396.

4 (e) Licensees shall establish and implement the applicable standards for cage functions
5 specified in subsections (a) through and including (d) no later than April 1, 2010.

6 Note: Authority cited: Sections 19840, 19841 and 19924, Business and Professions Code. Reference: Sections
7 19841, 19922 and 19924, Business and Professions Code.

8

9 **§ 12387. Security and Use of Floor Banks; Security of Gambling Equipment and**
10 **Confidential Documents.**

11 (a) The policies and procedures for all tiers shall meet or exceed the following standards for
12 the security of floor banks:

13 (1) When kept, held, or stored in any public area of the gambling establishment, a floor bank
14 shall be secured in a receptacle, drawer, or compartment with a locking mechanism securing the
15 contents. The receptacle, drawer, or compartment shall remain locked at all times, except when
16 being accessed by assigned gambling enterprise employees in the performance of their duties. If
17 a keyed lock or locking mechanism is used, the key shall not be left in the lock when the drawer
18 or compartment is not being accessed. All keys, combinations, and access codes shall be subject
19 to the applicable key security and control provisions of Section 12395.

20 (2) The lock or locking mechanism of each receptacle containing a floor bank, shall be keyed
21 differently from the lock or locking mechanism of any other receptacle, drawer, or compartment
22 of any furnishing, fixture, cabinet, appurtenance, or device (hereafter cabinet) in the gambling
23 establishment, except in the following circumstances:

24 (A) When a single assigned gambling enterprise employee requires access to multiple
25 receptacles in the performance of his or her duties; that access is limited solely to that employee
26 during his or her assigned shift; and each of the receptacles contains a floor bank, those
27 receptacles may have a key, combination, or access code in common with each other.

28 (B) Managers and supervisors whose duties include the supervision or oversight of
29 employees who utilize and have access to floor banks in the performance of their assigned duties,
30 may have a master or duplicate key that will open some or all of the locking mechanisms for the
31 receptacles containing a floor bank to which any of their subordinate employees have access.

1 (3) Any cabinet having a drawer, compartment, or receptacle containing or intended to
2 contain a floor bank shall be located so that it is clearly visible for security and surveillance
3 purposes. The cabinet shall be kept under continuous recorded video surveillance, in accordance
4 with the applicable provisions of Section 12396. The camera coverage shall be adequate to
5 enable monitoring and recording of the contents of any drawer when open, to the extent
6 reasonably possible, and of all activities involving the floor bank. If a mobile cabinet is used, it
7 shall be kept at a fixed secure location under continuous recorded video surveillance when not
8 being actively used on the gambling floor.

9 (4) No gambling equipment, documents, supplies, or other materials that are not directly
10 related to a floor bank shall be commingled with or kept in the same receptacle with a floor bank.
11 Neither the cabinet nor any other drawer, compartment, or receptacle therein, shall be used to
12 hold, store, keep, or safeguard any personal property or possession of any gambling enterprise
13 employee, patron, or any other person, nor any equipment, documents, supplies, or other
14 materials that are not directly related to the conduct of gambling operations.

15 (5) Each floor bank shall be individually balanced not less than daily and the imprest amount
16 verified. Any shortages or overages shall be documented in an exception report and included in
17 the appropriate cage bank reconciliation.

18 (6) The licensee shall establish a maximum imprest amount that may be assigned to each
19 floor bank based on a reasonable estimate of the amount necessary for the activities associated
20 with the bank during any shift. The maximum imprest amount that may be assigned to a floor
21 bank in a mobile cabinet shall not exceed \$30,000 at any time.

22 (7) The licensee's policies and procedures shall include specific provisions governing the sale
23 or distribution of gambling chips and the disbursement of cash to patrons from a floor bank by
24 the assigned gambling enterprise employee. The redemption of chips by a patron from a floor
25 bank shall not exceed a total of \$500, except when that floor bank is being temporarily operated
26 as a cage and all applicable provisions of Section 12386 are complied with. No chip
27 redemptions may be transacted at any time from a floor bank in a mobile cabinet.

28 (b) The policies and procedures for all tiers shall meet or exceed the following standards for
29 the security of gambling equipment and confidential documents:

30 (1)(A) When kept, held, or stored in any public area of the gambling establishment, gambling
31 equipment not actively being used shall be secured in a receptacle, drawer, or compartment, with

1 a locking mechanism securing the contents. The locking mechanism shall remain locked at all
2 times, except when being accessed by an authorized gambling enterprise employee in the
3 performance of his or her duties. If a keyed lock or locking mechanism is used, the key shall not
4 be left in the lock when the receptacle is not being accessed. All keys, combinations, and access
5 codes shall be subject to the applicable key security and control provisions of Section 12395.
6 This subparagraph shall not apply to any gambling equipment that cannot be secured in a
7 receptacle, drawer, or compartment when not in use due to its size.

8 (B) When kept, held, or stored in any public area of the gambling establishment, confidential
9 documents shall be secured in a receptacle, drawer, or compartment, as specified in subparagraph
10 (A), except when in use or when maintained electronically. Confidential documents, when in
11 use or maintained electronically, shall be kept out of public view, to the extent reasonably
12 possible.

13 (2) The lock or locking mechanism of each receptacle containing any gambling equipment or
14 confidential documents, shall be keyed differently from the lock or locking mechanism of any
15 other receptacle, drawer, or compartment of any cabinet in the gambling establishment, except in
16 the following circumstances:

17 (A) When a single assigned gambling enterprise employee requires access to multiple
18 receptacles in the performance of his or her duties; that access is limited solely to that employee
19 during his or her assigned shift; and each of the receptacles contains either gambling equipment
20 or confidential documents, those receptacles may have a key, combination, or access code in
21 common with each other.

22 (B) Managers and supervisors whose duties include the supervision or oversight of
23 employees who utilize and have access to gambling equipment or confidential documents in the
24 performance of their assigned duties, may have a master or duplicate key that will open some or
25 all of the locking mechanisms for the receptacles to which any of their subordinate employees
26 have access.

27 (3) Any cabinet having a drawer, compartment, or receptacle containing gambling equipment
28 or confidential documents shall be located so that it is clearly visible for security and
29 surveillance purposes. The cabinet shall be kept under continuous recorded video surveillance,
30 in accordance with the applicable provisions of Section 12396.

31 (4) No gambling equipment or confidential documents shall be commingled with or kept in

1 the same drawer or compartment with a floor bank, or commingled with or kept in the same
2 drawer or compartment with any personal property or possession of any gambling enterprise
3 employee, patron, or any other person.

4 (5) The licensee's policies and procedures shall include specific provisions governing the
5 storage, distribution, and tracking of gambling equipment kept, held, or stored on or near the
6 gaming floor or in any other public area of the gambling establishment.

7 (c) If a licensee provides to any third-party provider of proposition player services (TPPPS)
8 company or its employees access to or the use of any cabinet, or any receptacle, drawer, or
9 compartment in any cabinet described in subsection (a) or (b), that access or use shall be
10 exclusive to that TPPPS company and its employees, and that cabinet shall not be used by the
11 licensee for any purpose.

12 (d) Licensees shall establish and implement the standards specified in this section no later
13 than April 1, 2015.

14 Note: Authority cited: Sections 19840, 19841 and 19924, Business and Professions Code. Reference: Sections
15 19841, 19922 and 19924, Business and Professions Code.

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