

**TITLE 4.**  
**CALIFORNIA GAMBLING CONTROL COMMISSION**  
**NOTICE OF PROPOSED REGULATORY ACTION**  
**PROGRAM FOR RESPONSIBLE GAMBLING**  
**CGCC-GCA-2015-01-R**

**NOTICE IS HEREBY GIVEN** that the California Gambling Control Commission (Commission) is proposing to take the action described in the Informative Digest after consideration of all relevant public comments, objections and recommendations received concerning the proposed action. Comments, objections and recommendations may be submitted as follows:

**WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Commission at any time during the 45-day public comment period, which closes on April 20, 2015. Written comments relevant to the proposed regulatory action may be sent by mail, facsimile, or e-mail, directed to one of the individuals designated in this notice as a contact person. To be eligible for the Commission's consideration, all written comments must be **received at its office no later than 5:00 p.m. on April 20, 2015. Comments sent to persons and/or addresses other than those specified under Contact Persons, or received after the date and time specified above, will be included in the record of this proposed regulatory action, but will not be summarized or responded to regardless of the manner of transmission.** Written comments will also be accepted at the public hearing described below.

**PUBLIC HEARING**

Any interested person, or his or her authorized representative, may present statements or arguments orally or in writing relevant to the proposed regulatory action at a public hearing to be held at **10:00 a.m. on June 3, 2015**, in the Commission's Hearing Room located at 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833.

**ADOPTION OF PROPOSED ACTION**

After the close of the public comment period, the Commission, upon its own motion or at the instance of any interested party, may thereafter formally adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit oral or written

testimony related to this proposal or who have requested notification of any changes to the proposal.

### **AUTHORITY AND REFERENCE**

Pursuant to the authority vested by sections 19811, 19840, 19841(o), and 19920, of the Business and Professions Code; and to implement, interpret or make specific sections 19801, 19845, 19920 and 19954 of the Business and Professions Code and sections 4359.2, 4369.2 and 4369.4 of the Welfare and Institutions Code, the Commission is proposing to adopt the following changes to Chapter 7 of Division 18 of Title 4 of the California Code of Regulations:

### **INFORMATIVE DIGEST AND POLICY STATEMENT OVERVIEW**

#### **INTRODUCTION:**

The California Gambling Control Commission (Commission) is the state agency charged with the administration and implementation of the California Gambling Control Act (Act).<sup>1</sup> Under the Act, the Legislature finds gambling to be addictive<sup>2</sup> and that the exclusion or ejection of certain persons from gambling establishments is necessary.<sup>3</sup> The Commission is required to "...coordinate with the office [Office of Problem and Pathological Gambling (OPPG)] to ensure that state programs take into account, as much as practicable, problem and pathological gamblers."<sup>4</sup> Regulations allowing individuals to self-exclude or self-restrict their gambling activities have been adopted to implement and make specific the Commission's requirement to coordinate with the OPPG and to provide for necessary public protections for individuals for whom gambling is addictive.

#### **EFFECT OF REGULATORY ACTION:**

This proposed action has been prepared to update the Program for Responsible Gambling to correct for issues that have arisen during the lifetime of the program and to better coordinate with the OPPG and address changes in the understanding of problem gambling and how to best provide a structure to assist individuals in recovery.

#### **ANTICIPATED BENEFITS OF PROPOSED REGULATION:**

This proposed action will have the benefit of providing the gambling patron with a broader level of flexibility in their personal decision to participate, or exclude or restrict their participation in controlled gambling and related gambling activities. Additionally, the proposed action provides clarification and additional specificity to inform the gambling enterprise on what minimum level it must participate and provide policies and procedures to assist the patron in their decisions related to the Self-Exclusion and Self-Restriction Programs. The proposed action also expands the requirement that a gambling message be included in advertising by or on behalf of gambling enterprises, providers of third-party services and gambling businesses. Finally, the proposed

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<sup>1</sup> Business and Professions Code, Division 8, Chapter 5, section 19800 et seq.

<sup>2</sup> Business and Professions Code, section 19800, subdivision (c)

<sup>3</sup> Business and Professions Code, section 19800, subdivision (m)

<sup>4</sup> Welfare and Institutions Code, section 4369.4

action expands which gambling enterprise employees are required to participate in problem gambling training to include food service employees. All of these changes provide greater transparency and openness in business and government and protect the health, safety and welfare of the public, particularly those individuals affected by problem gambling.

**EXISTING LAW:**

Section 19801, subdivision (c) provides that the Legislature finds and declares that gambling can become addictive.

Section 19801, subdivision (m) provides that the Legislature finds and declares that the exclusion or ejection of certain persons is necessary to effectuate the policies of this chapter.

Section 19840 provides authority for the Commission to adopt regulations for the administration and enforcement of the Gambling Control Act.

Section 19841, subdivision (o) provides authority for the Commission to restrict, limit, or otherwise regulate any activity that is related to the conduct of controlled gambling.

Section 19845, subdivision (a), paragraph (7), provides that a gambling enterprise may remove individuals whom the Commission has determined should be excluded from gambling establishments.

Section 19920 provides that all gambling establishments shall be operated in a manner suitable to protect the public health, safety, and general welfare of the residents of the state.

Section 19954 provides for the Gambling Addiction Program Fund and that each licensee shall pay a sum per table to the OPPG.

Section 4369.2 of the Welfare and Institutions Code provides that the OPPG is responsible for providing a toll-free telephone service, currently 1-800-GAMBLER, and provide training to gambling industry personnel in identifying risks for problem gambling and knowledge of referral and treatment services.

Section 4369.4 of the Welfare and Institutions Code requires the Commission to coordinate with the OPPG to ensure its programs take into account problem gamblers.

**SPECIFIC PROPOSAL:**

This proposed action will make changes within Article 6 of Chapter 7, Division 18, Title 4 of the California Code of Regulations.

Amend Section 12460. Article Definitions.

This proposed action provides non-substantive, editorial, revisions to the definitions in Section 12460.

Subsection (a) is modified to remove the reference to “irrevocability.” Proposed Section 12465 will now address the irrevocability, or revocability, or any removal request, and the continued inclusion in the definition is repetitive and unnecessary. The definition is also revised to remove operative text. Additionally, a non-substantive, editorial correction is proposed to consistently refer to the list of self-excluded persons and not a “Self-Exclusion list.” Finally, a non-substantive, editorial correction is proposed to clarify that the list of self-excluded persons applies to all controlled games or gaming activities or privileges at all gambling establishments.

Subsection (b) is revised to clarify that self-restriction only applies to a single gambling establishment. The definition is also revised to remove operative text. Additionally, the reference to games is changed to controlled games. Finally, the subsection and paragraphs have a non-substantive, editorial correction for consistency that modifies references from “exclusion” to “restriction” as the limitations are related to self-restriction and not self-exclusion.

Paragraph (1) of subsection (b) is modified to change the reference to games to controlled games.

Paragraph (2) of subsection (b) is modified to change the reference to games to controlled games. In addition, the reference to gambling establishment is changed to gambling enterprise. An additional non-substantive, editorial change is made to remove unnecessary language.

Paragraph (3) of subsection (b) is modified to clarify that the restriction is on the availability of credit or check cashing.

Paragraph (4) of subsection (b) is modified to provide that the restriction from marketing or promotional activities applies to both those conducted by the gambling enterprise, and those conducted on its behalf.

Amend Section 12461. Posting Referral Information.

This proposed action expands the requirements for posting problem gambling messages to include third-party providers of proposition player services (TPPPS) and gambling businesses.

Subsection (a) is revised to correct the reference to the “Office of Problem and Pathological Gambling” from “Office of Problem Gambling.”

Subsection (b) specifies that any website operated by a gambling enterprise must contain a responsible gambling message and a link to the OPPG. This subsection is revised to provide that a website operated by or on the behalf of a gambling enterprise, TPPPS or gambling business must contain the required message.

Subsection (c) specifies that any advertising material must contain the responsible gambling message. This subsection is revised to provide that advertising material produced by, or on

the behalf of any gambling enterprise, TPPPS or gambling business must include the required message. Additionally, the following options are proposed:

- **Option 1** would require that the advertising material must contain both a reference to the 1-800-GAMBLER number and a link to <http://www.problemgambling.ca.gov>.
- **Option 2** would require that the advertising material must contain either a reference to the 1-800-GAMBLER number or a link to <http://www.problemgambling.ca.gov>, or both.
- **Option 3** would require that the advertising material must contain either a reference to the 1-800-GAMBLER number or a link to <http://www.problemgambling.ca.gov>, or both. Additionally, the proposed action clarifies which advertising materials are required to follow this provision. The proposal also specifically exempts digital materials where space is limited and the advertisement is only a link where a viewer would then be electronically directed to a website that does include the required message. Additionally, the proposal exempts promotional materials of a limited size.

Amend Section 12462. Training Requirements.

This proposed action modifies and clarifies the minimum requirements for the policies and procedures related to problem gambling training for gambling enterprise employees. This section is expanded to provide requirements related to any employee that has direct interaction with gambling patrons in the gambling areas, including food and beverage servers.

Subsection (a) provides that a licensee shall establish and implement procedures related to new employee orientations and annual trainings for those employees who have contact with gambling patrons in gambling areas. Food and beverage servers are currently exempt from the training requirement. This provision is revised to provide that the licensee need not establish the training program but may instead either use a third-party program or one developed and provided by the OPPG.

New paragraphs (1) through (3) of subsection (a) are proposed to provide three categories of employees that have interaction with gambling patrons in gambling areas; key employees, employees who function in the operation of a controlled game, and any other employee including food and beverage servers. These categories correspond with proposed changes in subsection (c) to target individual employee groups to separately determine their level of required instruction.

Current subsection (b) provides that new employee orientations and annual trainings must be documented and kept in the employee's personnel file for a minimum of five years. This subsection is repealed and its various provisions moved to a paragraph within either subsection (b) or subsection (c). The provision requiring that the training documentation be provided as part of the licensee's application for renewal is repealed.

New paragraph (1) of subsection (b) provides that new employee orientations must be completed within 60 days of either the issuance of an employee's licensee or work permit or the date the employee begins work, whichever is later. This provision directs the gambling enterprise to provide a new employee orientation within the first 60 days of the employee's ability to participate in the conduct of a controlled game.

New paragraph (2) of subsection (b) provides that annual training must be provided to an employee during a calendar year where a new orientation was not provided. Additionally, the training can be completed in segments as long as the entire program is completed in the same year.

New paragraph (3) of subsection (b) maintains many of the provisions moved from current subsection (b), including that an employee must be designated as being responsible for maintaining, coordinating and documenting the required training. The provision requiring the maintenance of training records is revised from being required to be included in the employee's personnel file to only being required to be maintained on file by the gambling enterprise. Additionally, a new provision is proposed that would require that the training program be reviewed at least once a year to ensure that the information is correct.

Subsection (c) requires that the training program include a minimum set of information. This subsection has two non-substantive, editorial revisions.

New paragraph (4) of subsection (c) provides that the training program must include information related to services provided by the OPPG.

New paragraph (5) of subsection (c) provides that the training program must include information related to services provided by any problem gambling programs or services available in the location around the gambling enterprise.

Current subsection (d) requires the gambling enterprise to designate an employee as being responsible for maintaining the program. This provision is now incorporated in paragraph (3) of subsection (b).

A new paragraph (1) of subsection (d) requires employees who have contact with gambling patrons in gambling areas but whose work functions are not related to the conducting of a controlled game only need to be trained on information related to the nature and symptoms of problem gambling behavior.

A new paragraph (2) of subsection (d) requires employees whose work functions are directly related to the conduct of a controlled game, and who have contact with gambling patrons in gambling areas need to be trained only on information related to the nature and symptoms of problem gambling behavior and on how to assist patrons in obtaining information on problem gambling programs.

A new paragraph (3) of subsection (d) requires that key employees receive training in all of the categories of subsection (c).

Amend Section 12463. Self-Restriction Program.

This proposed action provides four options to modify two aspects of the Self-Restriction program. Additionally, non-substantive, editorial changes are made to the Section.

Subsection (a) provides that a licensee shall establish and implement a program that allows patrons to restrict their access to specific aspects of the gambling operation, or from the gambling establishment completely.

Paragraph (2) of subsection (a) provides that the gambling enterprise must develop and provide a form for the patron to participate in the self-restriction program. Additionally, a form is provided that may be used, if the gambling enterprise does not wish to create its own. The name of the form is changed and the date of the form updated.

Additionally, the provided form is updated to be consistent with other changes in the regulations, such as changing the “Office of Problem Gambling” to the “Office of Problem and Pathological Gambling.”

Paragraph (3) of subsection (a) provides that the list of self-restricted persons must be protected as confidential and may only be shared with Bureau or law enforcement personnel as part of an investigation. The provision allowing the list of self-restricted persons to be shared with a Commission-approved entity assisting in a Problem Gambling program is removed. A non-substantive, editorial change is also made to clarify that law enforcement personnel would be conducting the investigation.

Paragraph (4) of subsection (a) provides that a patron may exclude him or herself from certain controlled games or gaming activities. References to exclusion are changed to restriction.

- Subparagraph (A) is modified to change references to exclusion to restriction.
- Subparagraph (B) provides a requirement that a gambling enterprise must notify the Bureau of any incidents where a patron is removed and either security or the police were required to assist.
  - **Option 4, Part A**, would provide that the provision remain unchanged.
  - **Option 5, Part A**, would provide that a gambling enterprise need not contact the Bureau when a patron is removed, but must instead keep a record of the removal.
- Subparagraph (C) provides that when discovered, a patron forfeits any money or prizes won or any losses recovered and that any such funds must be deposited into the Gambling Addiction Program Fund. This provision is modified to change references of exclusion to restriction. Additional modifications are proposed, as follows:

- **Option 6, Part A**, would remove the requirement that a patron who is found in violation forfeit any money related to losses recovered.
- **Option 7, Part A**, would remove the requirement that a patron who is found in violation forfeit any money related to losses recovered. Additionally, the patron would be forced to forfeit any chips currently in their possession.

Paragraphs (5) and (6) of subsection (a) provide that a patron may excluded themselves from check cashing, credit and marketing. References to exclusion are changed to restriction.

Paragraph (7) of subsection (a) provides that a patron may be removed from access to check-cashing, credit or other marketing opportunities. This provision is repealed and incorporated in paragraphs (5) and (6).

Subsection (b) is revised to provide a non-substantive correction for consistency in the name of the Self-Restriction Request form.

Amend Section 12464. Self-Exclusion Program.

This proposed action provides options to modify three aspects of the Self-Exclusion program. Additionally, non-substantive, editorial changes are made to the Section.

Subsection (a) provides that a licensee shall establish and implement the State program that allows patrons to exclude themselves from all gambling establishments.

The name of the form is revised. The form is also updated to be consistent with other changes or options in the regulations, such as changing the Office of Problem Gambling to the Office of Problem and Pathological Gambling.

Paragraph (1) of subsection (a) requires that the gambling enterprise establish policies for both providing forms to patrons and submitting the completed forms to the Bureau. This section is modified to revise the name of the form.

Paragraph (2) of subsection (a) requires that the gambling enterprise establish policies for protecting the confidentiality of the list of self-excluded persons. Additionally, the provision allowing the list of self-excluded persons to be shared with a Commission-approved entity assisting in a Problem Gambling program is removed.

Paragraph (3) of subsection (a) requires that the gambling enterprise establish policies designed to thwart violations and notify the Bureau when the removal of a violator requires the use of security or police.

- **Option 4, Part B**, would provide that the provision remain unchanged.
- **Option 5, Part B**, would provide that a gambling enterprise need not contact the Bureau when a patron is removed, but must instead keep a record of the removal.

New paragraph (4) is added to subsection (a). Under current practice, patrons in violation of their self-exclusion are most often caught at a later stage in their violation.

- **Option 8** would require that a patron's identity be verified before cashing a check, extending credit, and purchasing or redeeming chips.
- **Option 9** would require that when otherwise verifying a patron's identity due to cashing a check, extending credit, or when purchasing or redeeming chips, the patron's name must also be checked against the list of self-excluded persons.
- **Option 10** would require that when a patron's identity is being otherwise verified, for any reason, the list of self-excluded persons must also be checked at that time.
- **Option 11** would require that when a patron's identity is being otherwise verified in conjunction with a controlled game or gaming activity, the list of self-excluded persons must also be checked at that time.

Paragraph (5) provides that when discovered, a patron forfeits any money or prizes won or any losses recovered and that any such funds must be remitted to the OPPG for deposit into the Gambling Addiction Program Fund. Modifications are proposed, as follows:

- **Option 6, Part B**, would remove the requirement that a patron who is found in violation must forfeit any money related to losses recovered.
- **Option 7, Part B**, would remove the requirement that a patron who is found in violation must forfeit any money related to losses recovered. Additionally, the patron would be forced to forfeit any chips currently in their possession.

Subsection (b) provides that the gambling enterprise is not required to provide the services of a notary public. This section is modified to correct the name of the form. This is a, non-substantive, editorial change.

Adopt Section 12465. Removal from the List of Self-Excluded Persons.

This section specifies how the self-exclusion terms work, and how removal from each term is conducted. Currently, regulations do not explicitly specify any removal function, just that requests are irrevocable for the specific time period. As such, at the conclusion of the one or five-year periods, individuals are automatically removed. Patrons who requested lifetime cannot be removed.

- **Option 12** maintains the current one-year and five-year exclusion periods. The lifetime exclusion period is modified from actually being the term of the patron's life to being a minimum four-year period but with no automatic end date. At any time after the four years has elapsed, the patron would be able to request removal from the list of self-excluded persons and would then be removed after a one-year waiting or "cool down" period. Accompanying these changes are revisions to the Self-

Exclusion Request form and the addition of two new forms; Self-Exclusion Removal Request and Withdrawal of Self-Exclusion Removal Request.

- New subsection (a) would provide that for a lifetime self-exclusion term, a request for removal could be submitted after four years from the effective date of the exclusion.
- New subsection (b) provides clarification to the Bureau on how a patron is removed from the list of self-excluded persons.
- **Option 13** would remove the current one-year, five-year and lifetime term structure and replace it with a single self-exclusion list where every request is for an indeterminate amount of time. A patron could sign up for the program, and could then request to be removed at any point. There would then be a one-year waiting or “cool down” before removal.
  - New subsection (a) specifies that a removal request is required in order to be removed from the list of self-excluded persons.
  - New subsection (b) provides clarification to the Bureau on how a patron is removed from the list of self-excluded persons.
- **Option 14** would repeal Section 12464. This would leave each gambling enterprise with its own list of self-restricted persons. There would not be a statewide program.

Amend Section 12466. Responsible Gambling Program Review.

The proposed action moves the authority to issue notices of deficiency from the Executive Director to the Bureau. Additionally, the OPPG is authorized to request and review a gambling enterprise’s policies and procedures related to the list of self-restricted persons and the list of self-excluded persons. Finally, non-substantive, editorial changes are made to this Section.

The existing subsection (a) authorizes both the Executive Director and the Bureau to request and review the elements of a gambling enterprise’s policies and procedures related to the list of self-restricted persons and the list of self-excluded persons. The Executive Director could then issue a notice identifying deficiencies and specifying a term within which they must be corrected. Judicial review of the notice would be subject to the limitations of Business and Professions Code section 19804. This subsection would become paragraph (1) of subsection (a) and is modified to authorize the Bureau to issue the notice detailing deficiencies instead of the Executive Director.

A new paragraph (2) is added to subsection (a). This provision maintains the Commission’s access to review the elements of a gambling enterprise’s policies and procedures related to the list of self-restricted persons and the list of self-excluded persons. Additionally, the OPPG is authorized to request and review the policies and procedures.

Subsection (b) provides that failing to establish the required programs, or to correct an identified deficiency is an unsuitable method of operation.

Subsection (e) is revised to correct the reference to the “Office of Problem and Pathological Gambling” from “Office of Problem Gambling”.

### **CONSISTENCY OR COMPATIBILITY WITH EXISTING STATE REGULATIONS**

The Commission has evaluated this regulatory action and determined that the proposed regulations are neither inconsistent nor incompatible with any other existing state regulations. The Commission is vested with jurisdiction and supervision over gambling establishments and over all persons or things having to do with the operations of gambling establishments in California. The scope and content of the Commission’s regulations is generally set forth in section 19841. As provided in subdivision (o) of section 19841, the Commission may “restrict, limit, or otherwise regulate any activity that is related to the conduct of controlled gambling...” As provided in Welfare and Institutions Code section 4369.4, the Commission shall take problem gambling into account in developing its programs. Additionally, section 19801, subdivision (m) and 19845, subdivision (a), paragraph (7) allow for individuals to be removed from a gambling establishment as determined by the Commission. Together, these provisions provide a structure under which the Program for Responsible Gambling has been developed, specifically allowing an avenue for individuals to declare themselves unfit to access specific services, or a gambling establishment in its entirety and to request that they be restricted or excluded.

### **COMPARABLE FEDERAL LAW**

There are no existing federal regulations or statutes comparable to the proposed regulations.

### **FISCAL IMPACT ESTIMATES**

#### **FISCAL IMPACT ON PUBLIC AGENCIES INCLUDING COSTS OR SAVINGS TO STATE AGENCIES OR COSTS/SAVINGS IN FEDERAL FUNDING TO THE STATE:**

There would be no fiscal impact on the Commission, including costs or savings or costs/savings in Federal funding.

The Bureau of Gambling Control within the Department of Justice provided the Commission with estimates of the fiscal impact to that agency associated with options 12 and 13 of the proposed regulations amendments. The Bureau’s estimated fiscal impact for Option 12 is: for Year 1 (FY 2015-16), \$100,373; for Year 2 (FY 2016-17), \$80,769; and, for Year 3 (FY 2017-18), \$80,769. The Bureau’s estimated fiscal impact for Option 13 is: for Year 1 (FY 2015-16), \$161,155; for Year 2 (FY 2016-17), \$153,551; and, for Year 3 (FY 2017-18), \$153,551. The Year 1 costs include one-time data center and hiring costs. The Bureau indicates that there are no savings associated with Options 12 or 13 and the only savings would be for Option 14 (elimination of program). As the Commission does not anticipate submitting this Rulemaking

file to OAL for approval until early FY 2015-16, there will not be any costs to the Bureau in the current fiscal year.

**NON-DISCRETIONARY COST OR SAVINGS IMPOSED UPON LOCAL AGENCIES:** None.

**MANDATE IMPOSED ON ANY LOCAL AGENCY OR SCHOOL DISTRICT FOR WHICH PART 7 (COMMENCING WITH SECTION 17500) OF DIVISION 4 OF THE GOVERNMENT CODE REQUIRES REIMBURSEMENT:** None.

**COST TO ANY LOCAL AGENCY OR SCHOOL DISTRICT FOR WHICH PART 7 (COMMENCING WITH SECTION 17500) OF DIVISION 4 OF THE GOVERNMENT CODE REQUIRES REIMBURSEMENT:** None.

**EFFECT ON HOUSING COSTS:** None.

**IMPACT ON BUSINESS:**

The Commission has made an initial determination that the adoption of these regulations would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

For the most part, this proposed action only modifies requirements already in place. These regulations increase the number of employees requiring problem gambling training and so some additional cost would be associated with paying those employees to attend instruction; however, that instruction is already being provided under the current regulations and any additional cost would be insignificant.

There may be a business impact involved with checking the identification of individuals, depending on the option selected; however, none of the options require additional points of contact and instead work within periods when the gambling enterprise employees are already in contact with patrons, so the impact would be insignificant.

**COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS:**

The Commission is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

**EFFECT ON SMALL BUSINESS:**

The Commission has determined that the proposed regulatory action will not affect small businesses because gambling enterprises are not small businesses as defined in Government Code section 11342.610.

## **RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS**

### **IMPACT ON JOBS/NEW BUSINESSES:**

The Commission has determined that this regulatory proposal will not have any impact on the creation of new jobs or businesses, the elimination of jobs or existing businesses, or the expansion of businesses in California.

These regulations are designed to provide guidance to the gambling enterprise, patrons who wish to be either excluded or restricted, and to the Bureau as the keeper of the list of self-excluded persons and the entity with the responsibility of gambling enterprise compliance review. These regulations modify and clarify existing requirements, and would not alter current practices significantly enough to effect the gambling enterprise's decision to employ individuals. Therefore, it has been determined that the proposed action will not have an impact on the creation or elimination of jobs, nor on the creation, elimination or expansion of businesses.

### **BENEFITS OF PROPOSED REGULATION:**

This proposed action will have the benefit of providing the gambling patron with a broader level of flexibility in their personal decision to participate, or exclude or restrict their participation in controlled gambling and related gambling activities. Additionally, the proposed action provides clarification and additional specificity to inform the gambling enterprise on what minimum level it must participate and provide policies and procedures to assist the patron in their decisions related to the Self-Exclusion and Self-Restriction Programs. The proposed action also expands the requirement that a gambling message be included in advertising by or on behalf of gambling enterprises, providers of third-party services and gambling businesses. Finally, the proposed action expands which gambling enterprise employees are required to participate in problem gambling training to include food service employees. All of these changes provide greater transparency and openness in business and government and protect the health, safety and welfare of the public, particularly those individuals affected by problem gambling.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

## **CONSIDERATION OF ALTERNATIVES**

The Commission must determine that no reasonable alternative considered by the Commission or that has otherwise been identified and brought to the attention of the Commission would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

### **INITIAL STATEMENT OF REASONS, INFORMATION AND TEXT OF PROPOSAL**

The Commission has prepared an Initial Statement of Reasons and the exact language for the proposed action and has available all the information upon which the proposal is based. Copies of the language and of the Initial Statement of Reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the Commission at 2399 Gateway Oaks Drive, Suite 220, Sacramento, CA 95833-4231.

### **AVAILABILITY AND LOCATION OF THE RULEMAKING FILE AND THE FINAL STATEMENT OF REASONS**

All the information upon which the proposed action is based is contained in the Rulemaking File that will be available for public inspection and copying at the Commission's office throughout the rulemaking process. Arrangements for inspection and/or copying may be made by contacting the backup contact person named below.

Upon its completion, the Final Statement of Reasons will also be available. A copy of the Final Statement of Reasons may be obtained, once it has been prepared, by making a written request to one of the contact persons named below or by accessing the Commission's Web site listed below.

### **CONTACT PERSONS**

All comments and inquiries concerning the substance of the proposed action should be directed to the following **primary** contact person:

Joshua Rosenstein, Regulatory Actions Analyst  
Regulatory Actions Unit  
California Gambling Control Commission  
2399 Gateway Oaks Drive, Suite 220, Sacramento, CA 95833-4231  
Telephone: (916) 274-5823  
Fax: (916) 263-0499  
E-mail: [jrosenstein@cgcc.ca.gov](mailto:jrosenstein@cgcc.ca.gov)

Requests for a copy of the Initial Statement of Reasons, proposed text of the regulation, modified text of the regulation, if any, or other technical information upon which the proposed action is based should be directed to the following **backup** contact person:

James B. Allen, Manager  
Regulatory Actions Unit  
California Gambling Control Commission  
2399 Gateway Oaks Drive, Suite 220, Sacramento, CA 95833-4231  
Telephone: (916) 263-4024  
Fax: (916) 263-0499  
E-mail: [jallen@cgcc.ca.gov](mailto:jallen@cgcc.ca.gov)

**WEB SITE ACCESS**

Materials regarding this proposed action are also available on the Commission's Web site at [www.cgcc.ca.gov](http://www.cgcc.ca.gov).