

1 CALIFORNIA GAMBLING CONTROL COMMISSION
2 SPECIFIC LANGUAGE OF PROPOSED REGULATIONS
3 **PLAYING BOOKS**
4 CGCC-GCA-2016-XX-R
5

6 CALIFORNIA CODE OF REGULATIONS
7 TITLE 4. BUSINESS REGULATIONS.
8 DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.
9

10 CHAPTER 1. GENERAL PROVISIONS.

11 ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

12
13 **§ 12003. General Requirements.**

14 (a) All books, accounts, financial records, and documents required by the Commission or the
15 Bureau shall be in English.

16 (b) All records required by the Commission or Bureau shall be maintained for a minimum of
17 five years, unless otherwise specified, in a secure location on the premises of the gambling
18 establishment or at the main offices of the TPPPS company or gambling business, as applicable.
19 Records may be maintained at another facility within California when approved in advance by
20 the Bureau. Any change in an approved location shall be reported to the Bureau by written notice
21 mailed or delivered within five business days after establishing or changing a storage location.
22 The location shall be deemed approved if not disapproved by the Bureau within 30 days of
23 receipt of the written notice.

24 (c) Each licensee shall ~~provide the~~ allow Bureau representatives to inspect, copy, or audit all
25 requested documents, papers, books, and other records ~~with copies of any records~~ required by the
26 Act or this division within the time period specified in the request. The inspection may include
27 all hardware, associated equipment, and systems that support the operation of the licensed
28 activities. If the records are maintained in other than hardcopy form, the licensee shall provide a
29 printed copy pursuant to this section upon request.
30

1 (d) Records may be kept, stored, and submitted in a permanent form or media unless
2 otherwise specified.

3 Note: Authority cited: Sections 19811, 19824, 19840, 19841, 19853 and 19984, Business and Professions Code.
4 Reference: Sections 19826, 19827, 19841, 19857, 19866 and 19984, Business and Professions Code.

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7 CHAPTER 2.1. THIRD-PARTY PROVIDERS OF PROPOSITION PLAYER SERVICES: REGISTRATION;
8 LICENSING.

9 ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

10 **§ 12200. Definitions.**

11 (a) Except as otherwise provided in Section 12002 and in subsection (b) of this regulation,
12 the definitions in Business and Professions Code section 19805 shall govern the construction of
13 this chapter.

14 (b) As used in this chapter:

15 (1) “Additional Badge” means a badge provided pursuant to Section 12200.6, which
16 authorizes an individual registrant or licensee to be simultaneously employed by more than one
17 primary owner.

18 * * * *

19 (12) “License” means a license issued by the Commission pursuant to Article 3 of this
20 chapter.

21 (A) There are four license categories entitling the holder to provide third-party proposition
22 player services:

- 23 1. Primary owner,
- 24 2. Owner,
- 25 3. Supervisor, and
- 26 4. Player.

27 (B) All ~~“other employees”~~ (as defined in this section) of the primary owner who are present
28 in the gambling establishment during the provision of proposition player services under the
29 primary owner's proposition player contract shall be licensed as “other employee” and shall be
30 required to submit an application and be approved or denied based upon the same criteria that
31 apply to a player.

32 (C) A primary owner and an owner may also perform the functions of a supervisor or player,

1 and the holder of a supervisor's license may also perform the functions of a player.

2 (D) No licensee, other than an owner, supervisor, or player, may possess, direct, or otherwise
3 control currency, chips, or other wagering instruments used for play in the performance of a
4 proposition player contract.

5 * * * *

6 ~~(17) "Playing Book" means a record documenting each session of play by a third party~~
7 ~~proposition player.~~

8 ~~(1817)~~ * * * *

9 ~~(1918)~~ * * * *

10 ~~(2019)~~ * * * *

11 ~~(2120)~~ * * * *

12 ~~(2221)~~ * * * *

13 ~~(2322)~~ * * * *

14 ~~(2423)~~ * * * *

15 ~~(25) "Session of play" as used in Section 12200.13 ("Playing Book") means a continuous~~
16 ~~work shift of third party proposition player services provided by an individual proposition~~
17 ~~player.~~

18 ~~(2624)~~ "Supervisor" means an individual who, in addition to any supervisorial
19 responsibilities, has authority, on behalf of the primary owner, to provide or direct the
20 distribution of currency, chips, or other wagering instruments to proposition players engaged in
21 the provision of third-party proposition player services in a gambling establishment.

22 ~~(2725)~~ * * * *

23 ~~(2826)~~ * * * *

24 ~~(2927)~~ * * * *

25 ~~(3028)~~ * * * *

26 Note: Authority cited: Sections 19840, 19841 and 19984, Business and Professions Code. Reference: Sections
27 19805 and 19984, Business and Professions Code.

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1 **§ 12200.7. Proposition Player Contract Criteria.**

2 (a) All proposition player contracts shall be subject to, and superseded by, any changes in the
3 requirements of regulations adopted under Business and Professions Code section 19984 that
4 conflict with or supplement provisions of the proposition player contract.

5 (b) Each proposition player contract shall specifically require all of the following to be
6 separately set forth at the beginning of the contract in the following order:

7 * * * *

8 ~~(13) The form to be used for the playing book record and the initial number that will be used~~
9 ~~for the sequentially numbered forms.~~

- 10 ~~(14)~~13 * * * *
- 11 ~~(15)~~14 * * * *
- 12 ~~(16)~~15 * * * *
- 13 ~~(17)~~16 * * * *
- 14 ~~(18)~~17 * * * *
- 15 ~~(19)~~18 * * * *
- 16 ~~(20)~~19 * * * *
- 17 ~~(21)~~20 * * * *
- 18 ~~(22)~~21 * * * *

19 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section
20 19984, Business and Professions Code.

21

22 **§ 12200.9. Review and Approval of Proposition Player Contracts.**

23 (a)(1) Proposition player services shall not be provided except pursuant to a written
24 proposition player contract approved in advance by the Bureau. Provision of proposition player
25 services by any person subject to registration or licensing under this chapter, or engagement of
26 proposition player services by the holder of a state gambling license, without a contract as
27 required by this section is a violation of this section. The Bureau shall approve a proposition
28 player contract only if all the following requirements have been satisfied:

29 * * * *

30 (3) A complete application for contract approval shall include all of the following:

31 * * * *

1 ~~(D) A playing book form that specifically addresses all of the requirements of Section~~
2 ~~12200.13.~~

3 (ED) * * * *

4 (FE) * * * *

5 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections
6 19951 and 19984, Business and Professions Code

7

8 **§ 12200.10A. Expedited Review and Approval of Proposition Player Contracts.**

9 (a) In lieu of the procedure specified in Section 12200.9, the Bureau shall provide an
10 expedited review process of an application for contract approval if all of the following conditions
11 exist:

12 * * * *

13 (c) The Bureau shall complete the expedited review and approval of a contract within five (5)
14 business days of receiving all of the following:

15 * * * *

16 ~~(4) A playing book form that specifically addresses all the requirements of Section 12200.13.~~

17 (54) * * * *

18 (65) * * * *

19 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections
20 19951 and 19984, Business and Professions Code.

21

22 * * * *

23

24 **§ 12200.11. Extension of Proposition Player Contracts.**

25 (a) An application for approval of a contract to continue proposition player services shall
26 include all of the following:

27 * * * *

28 ~~(4) A completed playing book form for three non-consecutive sessions of play that occurred~~
29 ~~during the ten (10) days preceding the submission of the application for contract extension.~~

30 (54)

31 * * * *

1 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections
2 19951 and 19984, Business and Professions Code.

3
4 **~~§ 12200.13. Playing Book.~~**

5 ~~(a) The primary owner shall be responsible for assuring that its players maintain accurate,~~
6 ~~complete, and up to date playing books for all sessions of play worked in conformity with~~
7 ~~regulations of the Commission. The information in the playing book record shall be transferred~~
8 ~~to the primary owner, or a supervisor designated by the primary owner at the end of each session~~
9 ~~of play. The primary owner shall maintain this information in English at a single location in the~~
10 ~~State of California, and shall maintain the original playing book records in the State of~~
11 ~~California, for at least five (5) years. The location or locations where the records of this~~
12 ~~information and the original playing book records are maintained, and any change therein, shall~~
13 ~~be disclosed to the Commission and Bureau by written notice mailed or delivered within five (5)~~
14 ~~business days after establishing or changing such a location.~~

15 ~~(b) The playing book shall be prepared and maintained as follows:~~

16 ~~(1) The playing book form shall be reviewed and approved or disapproved during the review~~
17 ~~of the contract by the Bureau.~~

18 ~~(2) Each form in the playing book shall be recorded in ink and include, but not be limited to,~~
19 ~~the following information:~~

20 ~~(A) Sequential numbers. Any unused form shall be voided and maintained in the playing~~
21 ~~book.~~

22 ~~(B) The name of the gambling establishment where play occurred.~~

23 ~~(C) The date and approximate time when play occurred.~~

24 ~~(D) Beginning and ending balances.~~

25 ~~(E) Individual identification of all fills and credits affecting the balance.~~

26 ~~(F) The printed full name and badge number of the proposition player, which includes~~
27 ~~owners, supervisors, and/or players.~~

28 ~~(G) The table number assigned by the gambling establishment.~~

29 ~~(H) The specific name of the Bureau approved gaming activity.~~

30 ~~(I) The name of the primary owner.~~

31 ~~(3) The form for each session of play shall be time stamped, dated, and signed under penalty~~

1 of perjury by the person who prepared it and shall include a declaration in the following form: “I
2 declare under penalty of perjury under the laws of the State of California that the foregoing is
3 true and correct.”

4 (c)(1) To amend a playing book form during a contract period, a Request for Approval of
5 Playing Book form (BGC App 036 (Rev. 12/11)), which is hereby incorporated by reference,
6 must be completed and submitted to the Bureau for prior approval along with the following to
7 constitute a complete request.

8 (A) Processing fee of \$75.

9 (B) Sample playing book form that complies with this section.

10 (2) Review and approval or disapproval of an amended playing book form shall be completed
11 within 30 days of receiving a completed request. Written notices shall be sent to the applicant or
12 the applicant's designee.

13 Note: Authority cited: Sections 19840, 19841 and 19984, Business and Professions Code. Reference: Section
14 19984, Business and Professions Code

15
16 * * * *

17
18 **§ 12200.16. Inspections and Investigations.**

19 (a) When requested by a representative of the Bureau, a registrant or licensee shall
20 immediately permit the Bureau representative, in accordance with the request, to inspect, copy,
21 or audit all requested documents, papers, books, and other records of the registrant or licensee
22 related to the provision of proposition player services. If the records are maintained in electronic
23 form and the registrant or licensee is requested to do so, the registrant or licensee shall provide a
24 printed copy in English pursuant to this section within 24 hours of the request.

25 (b) If requested in writing by the Executive Director, the Bureau shall conduct an inspection
26 or investigation of a registrant or a licensee. Within 30 days of receipt of the request, the Bureau
27 shall advise the Executive Director in writing of the status of the inspection or investigation and
28 shall also provide an estimated date on which the inspection or investigation may reasonably be
29 expected to be concluded. Upon completion of the inspection or investigation, the Bureau shall
30 provide a final written report to the Executive Director.

1 ~~(c) Nothing in this chapter precludes Commission staff from carrying out their duties under~~
2 ~~applicable statutes and regulations.~~

3 ~~(d) All records required by this chapter shall be maintained in English, in California, for at~~
4 ~~least five (5) years.~~

5 ~~Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section~~
6 ~~19984, Business and Professions Code.~~

7
8 * * * *

9
10 CHAPTER 2.2. GAMBLING BUSINESSES: REGISTRATION; LICENSING.

11 ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

12 **§ 12220. Definitions.**

13 (a) Except as otherwise provided in Section 12002 and in subsection (b) of this section, the
14 definitions in Business and Professions Code section 19805 shall govern the construction of this
15 chapter.

16 (b) As used in this chapter:

17 (1) “Additional Badge” means a badge provided by the Commission pursuant to Section
18 12220.6 which authorizes an individual registrant or licensee to be simultaneously employed by
19 more than one primary owner.

20 * * * *

21 (13) “License” means a license issued by the Commission pursuant to Article 3 of this
22 chapter.

23 (A) There are four license categories entitling the holder to operate a gambling business:

- 24 1. Primary owner,
25 2. Owner,
26 3. Supervisor, and
27 4. Player.

28 (B) All ~~“other employees”~~ (as defined in this section) of the primary owner who are present
29 in the gambling establishment during the conduct of the gambling business shall be licensed as
30 “other employee” and shall be required to submit an application and be approved or denied based
31 upon the same criteria that apply to a player.

1 (C) A primary owner and an owner may also perform the functions of a supervisor or player,
2 and the holder of a supervisor's license may also perform the functions of a player.

3 (D) No licensee, other than an owner, supervisor, or player, may possess, direct, or otherwise
4 control currency, chips, or other wagering instruments used for play of a controlled game.

5 * * * *

6 ~~(19) "Playing Book" means a record documenting each session of play by an individual~~
7 ~~player.~~

8 (2019) * * * *

9 (2120) * * * *

10 (2221) * * * *

11 (2322) * * * *

12 (2423) * * * *

13 ~~(25) "Session of play" as used in Section 12220.13 ("Playing Book") means a continuous~~
14 ~~work shift performed by a player.~~

15 (2624) * * * *

16 (2725) * * * *

17 (2826) * * * *

18 Note: Authority cited: Sections 19840, 19841 and 19853(a)(3), Business and Professions Code. Reference:
19 Sections 19805 and 19853(a)(3), Business and Professions Code.

20 * * * *

21
22
23 **§ 12220.13. Playing Book.**

24 ~~(a) The primary owner shall be responsible for assuring that its players maintain accurate,~~
25 ~~complete, and up-to-date playing books for all sessions of play worked in conformity with~~
26 ~~regulations of the Commission. The information in the playing book record shall be transferred~~
27 ~~to the primary owner, or a supervisor designated by the primary owner at the end of each session~~
28 ~~of play. The primary owner shall maintain this information in English at a single location in the~~
29 ~~State of California, and shall maintain the original playing book records in the State of California~~
30 ~~for at least five (5) years. The location or locations where the records of this information and the~~
31 ~~original playing book records are maintained, and any change therein, shall be disclosed to the~~

1 ~~Commission and Bureau by written notice, mailed or delivered within five (5) business days~~
2 ~~after establishing or changing such a location.~~

3 ~~(b) The playing book shall be prepared and maintained as follows:~~

4 ~~(1) The playing book form shall be reviewed and approved or disapproved by the Bureau~~
5 ~~during the review of the primary owner's registration or license application.~~

6 ~~(2) Each form in the playing book shall be recorded in ink and include, but not be limited to,~~
7 ~~the following information:~~

8 ~~(A) Sequential numbers. Any unused form shall be voided and maintained in the playing~~
9 ~~book.~~

10 ~~(B) The name of the gambling establishment where play occurred.~~

11 ~~(C) The date and approximate time when play occurred.~~

12 ~~(D) Beginning and ending balances.~~

13 ~~(E) Individual identification of all fills and credits affecting the balance.~~

14 ~~(F) The printed full name and badge number of the player, which includes owners,~~
15 ~~supervisors, and/or players.~~

16 ~~(G) The table number assigned by the gambling establishment.~~

17 ~~(H) The specific name of the Bureau-approved gaming activity.~~

18 ~~(I) The name of the primary owner.~~

19 ~~(3) The form for each session of play shall be time-stamped, dated, and signed under penalty~~
20 ~~of perjury by the person who prepared it and shall include a declaration in the following form: "I~~
21 ~~declare under penalty of perjury under the laws of the State of California that the foregoing is~~
22 ~~true and correct."~~

23 ~~(c)(1) A Request for Approval of Playing Book form (BGC App 036), referenced in~~
24 ~~paragraph (1) of subsection (c) of Section 12200.13, must be completed and submitted to the~~
25 ~~Bureau for prior approval along with the following to constitute a complete request for initial~~
26 ~~approval or to amend the playing book form:~~

27 ~~(A) Processing fee of \$75.~~

28 ~~(B) Sample playing book form that complies with this section.~~

29 ~~(2) Review and approval or disapproval of an amended playing book form shall be completed~~
30 ~~within 30 days of receiving a completed request. Written notices shall be sent to the applicant or~~

1 ~~the applicant's designee.~~

2 ~~Note: Authority cited: Sections 19840, 19841 and 19853(a)(3), Business and Professions Code. Reference:~~
3 ~~Sections 19805 and 19853(a)(3), Business and Professions Code.~~

4
5 * * * *

6
7 **~~§ 12220.16. Inspections and Investigations.~~**

8 (a) ~~When requested by a representative of the Bureau, a registrant or licensee shall~~
9 ~~immediately permit the Bureau representative, in accordance with the request, to inspect, copy,~~
10 ~~or audit all requested documents, papers, books, and other records of the registrant or licensee~~
11 ~~related to the gambling business. If the records are maintained in electronic form and the~~
12 ~~registrant or licensee is requested to do so, the registrant or licensee shall provide a printed copy~~
13 ~~in English pursuant to this section within 24 hours of the request.~~

14 (b) ~~If requested in writing by the Executive Director, the Bureau shall conduct an inspection~~
15 ~~or investigation of a registrant or a licensee. Within 30 days of receipt of the request, the Bureau~~
16 ~~shall advise the Executive Director in writing of the status of the inspection or investigation and~~
17 ~~shall also provide an estimated date on which the inspection or investigation may reasonably be~~
18 ~~expected to be concluded. Upon completion of the inspection or investigation, the Bureau shall~~
19 ~~provide a final written report to the Executive Director.~~

20 (c) ~~Nothing in this chapter precludes Commission staff from carrying out their duties under~~
21 ~~applicable statutes and regulations.~~

22 (d) ~~All records required by this chapter shall be maintained in English, in California, for at~~
23 ~~least five (5) years.~~

24 ~~Note: Authority cited: Sections 19840, 19841 and 19853(a)(3), Business and Professions Code. Reference: Section~~
25 ~~19853(a)(3), Business and Professions Code.~~

26
27 * * * *

28
29 CHAPTER 3. CONDITIONS OF OPERATION FOR PROVIDERS OF PROPOSITION PLAYER SERVICES.

30 ARTICLE 1. GENERAL PROVISIONS

31 § 12250. Definitions.

32 (a) Except as otherwise provided in subsection (b), the definitions in Business and

1 Professions Code section 19805, and Sections 12002, 12200, and 12220 of this division, shall
2 govern the construction of this chapter.

3 (b) For the purposes of this chapter, the following definitions apply:

4 (1) “Authentication” means the verification of an individual as being authorized to access a
5 system.

6 (A) “Active authentication” means the identification information of an individual with
7 permission to use or access an electronic playing book system.

8 (B) “Inactive authentication” means the identification information of an individual that no
9 longer has permission to use or access an electronic playing book system.

10 (2) “Backup” means the process of copying files to a physical and removable second medium
11 that is accessible to the Bureau or other law enforcement, including but not limited to disk, tape
12 or flash memory.

13 (3) “Electronic playing book” refers to a collection of digital playing book forms.

14 (4) “Electronic Playing Book Device” or “playing book device” means a terminal used as an
15 electronic playing book.

16 (5) “Hardcopy playing book” means a tangible collection of paper playing book forms.

17 (6) “Independent gaming test laboratory” means a gaming test laboratory that is either:

18 (A) Licensed or registered to test, approve, and certify gambling equipment, systems, and
19 software in any United States jurisdiction, and accredited by a signatory to the International
20 Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement (MRA) or other
21 equivalent laboratory accreditation agreement; or,

22 (B) Operated by a state governmental gaming regulatory agency.

23 (7) “Information technology technician” or “IT technician” means any person who is
24 responsible for and has the system permissions necessary to access an electronic playing book
25 system database, including but not limited to the software coding, data storage functions, all
26 critical components of system functioning, and the receipt of system alerts in accordance with
27 paragraph (5) of subsection (a) of Section 12258.

28 (8) “Permissions” means the assigned level of system access rights of an individual to view
29 or make changes to the content of a system.

30 (9) “Playing Book” means a record documenting each session of play by a third-party

1 proposition player.

2 (10) “Primary database” or “database” means a collection and storage of all electronic
3 playing book system information.

4 (11) “Session of play” means a continuous work shift performed by an individual proposition
5 player at a specific gaming table.

6 (12) “Synchronization” or “synch” means the process of uploading information from a
7 terminal to a primary database.

8 (13) “System” means a group of interdependent components that interact regularly to
9 perform a task.

10 (14) “Terminal” means computer hardware that is used to enter data into or display
11 information from a system.

12 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
13 Sections 19805, 19841, 19853 and 19984, Business and Professions Code.

14
15 ARTICLE 2. PLAYING BOOKS

16
17 § 12255. General Provisions.

18 (a) Nothing in this article shall prohibit a licensee from using more stringent standards, or
19 from having other applications or programs accessible from a terminal with access to the playing
20 book system. Programs performing processes other than playing book functions may be a
21 separate application, but any program with access to the electronic playing book database must
22 be approved by the Bureau. The licensee is responsible to ensure that there is no data leakage or
23 data contamination between the playing book database and an unauthorized source.

24 (b) The primary owner of a TPPPS company or gambling business shall be responsible for
25 assuring that its players maintain accurate, complete, legible, and up-to-date playing books in
26 conformity with regulations of the Commission for all sessions of play. A playing book shall be
27 established and maintained in either hardcopy or electronic form.

28 (c) The information in a playing book record shall be transferred to the primary owner, or a
29 supervisor designated by the primary owner, at the end of each session of play.

30 (d) Hardcopy playing book records shall be recorded in ink, and stored in accordance with
31 Section 12003. Electronic playing book records shall be electronically maintained in accordance

1 with the database and backup requirements of Section 12258.

2 (e) A playing book form may use any method of data entry acceptable to the Bureau,
3 including, but not limited to, fillable spaces, pre-filled spaces, drop-down menus, or check-
4 boxes, as applicable. Each form in a playing book shall include, but not be limited to, all of the
5 following information:

6 (1) Sequential numbers for each gambling enterprise including a unique identifier for the
7 specific gambling enterprise. For hardcopy playing books, any unused form shall be voided and
8 maintained in the playing book.

9 (2) The name of the gambling establishment where play occurred.

10 (3) The date and time of commencement of each session of play.

11 (4) Beginning and ending balances.

12 (5) An itemization of all fills and credits for each session of play.

13 (6) The printed full name and badge number of the player, including owners and supervisors,
14 when acting as players.

15 (7) The table number assigned by the gambling enterprise.

16 (8) The specific Bureau identification number of the Bureau-approved controlled game
17 played.

18 (9) The name of the primary owner.

19 (10) The date and time of completion for each session of play.

20 (11) The signature of the player whose activity is being recorded; and, the signature of a
21 supervisor. Each signature shall include a declaration in the following form: "I declare under
22 penalty of perjury under the laws of the State of California that the foregoing is true and correct."
23 If a supervisor is not present to sign, the funds shall be deposited into a TPPPS company bank
24 account within the gambling establishment; and, a cage receipt shall be obtained and substituted
25 for that signature. The receipt shall be kept in accordance with Section 12003.

26 (A) For playing book devices, a signature shall consist of any method that is supported by the
27 electronic playing book system and approved by the Bureau. This may include, but is not limited
28 to, a signature signed onto a touch-screen, the activation of a mandatory checkbox, or the use of
29 one or more secured authentications, or any combination thereof. Examples of authentication
30 include, but are not limited to, unique username, password, pin, fob/badge recognition, security

1 image, caption verification, security question, Quick Response (QR) coding, biometrical
2 verification, or facial recognition, or any combination thereof.

3 (B) For electronic playing books, the version of the playing book form to be signed by the
4 player whose activity is being recorded must be in the same format as the printed version of the
5 approved playing book form and visible as one document on the playing book device. If screen
6 size is a constraint, scrolling across or up and down to view different areas of the form is
7 permitted.

8 (f) All IT technicians employed by a licensee shall be registered or licensed as other
9 employees pursuant to Chapter 2.1 or 2.2, as applicable. This requirement shall also apply to any
10 subcontractor, independent contractor, or employee thereof who is authorized to perform IT
11 technician duties as defined in paragraph (7) of subsection (b) of Section 12250.

12 (g) Any incident notification requirements in this Article must be submitted to the Bureau
13 with the following information:

14 (1) Name and location of gaming operation.

15 (2) Location(s) of incident.

16 (3) Date of the incident.

17 (4) Date of discovery of incident.

18 (5) Name of person reporting the incident.

19 (6) Description of incident and impact to the electronic playing book system.

20 (7) Description of data compromised.

21 (8) Resolution or plan to resolve the reported incident.

22 (9) Licensee name, phone number, and email address.

23 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
24 Sections 19826, 19841, 19853 and 19984, Business and Professions Code.

25
26 **§ 12256. Approval of Playing Book Forms.**

27 (a) The Bureau shall review and approve or disapprove all playing book forms. Only an
28 approved playing book form on record with the Bureau may be used during play.

29 (b) To obtain the approval of a new or amended playing book, the form Application for
30 Approval of Playing Book Form or Electronic Playing Book System, BGC-APP 036 (Rev.
31 06/15), attached in Appendix A to this chapter, must be completed and submitted to the Bureau

1 along with the following:

2 (1) An application processing fee of \$75.

3 (2) Those using hardcopy playing books shall submit a sample playing book form that
4 complies with Section 12255. Those using an electronic playing book system shall submit all
5 required information that complies with Sections 12255 and 12259.

6 (3) If the approval is for an amended form, a brief description of any changes made to the
7 previously approved form shall be included.

8 (c) The Bureau shall notify the applicant in writing that an application or a resubmitted
9 application for an initial or amended playing book form approval is complete and accepted for
10 filing or is deficient and what is necessary to correct any deficiencies within 10 working days
11 after the receipt of the application. The Bureau shall review and approve or disapprove an initial
12 or amended playing book form within 30 days of receiving a completed application. Written
13 notices shall be sent to the primary owner or the designated agent.

14 (d) If a change is non-substantive, for example, the addition of a Bureau-approved controlled
15 game, or a change in formatting, font, spacing, or other cosmetic change, the primary owner shall
16 submit a notice and copy of the revised form to the Bureau to update the Bureau's records. This
17 notice shall be deemed accepted unless otherwise advised by the Bureau within 30 days of
18 receiving the notice. The Bureau may determine the change is substantive and require the
19 primary owner to request approval pursuant to subsection (b).

20 (e) An approved playing book form may be used at any gambling establishment where the
21 TPPPS company or gambling business operates.

22 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
23 Sections 19826, 19841, 19853 and 19984, Business and Professions Code.

24
25 **§ 12257. Electronic Playing Book Device Requirements.**

26 (a) Electronic playing book devices must meet the following information storage and
27 retrieval requirements:

28 (1) The capability to retrieve or display information for system integrity and certification
29 confirmation.

30 (2) The playing book form and recorded data shall be exportable as a printable version of the
31 playing form and to a spreadsheet file format.

1 (3) Documentation must be printable from an on-site printer.

2 (b) Electronic playing book devices must meet the following security requirements:

3 (1) Upon login, the date and time of last login by the user must appear and be accepted.

4 (2) The device shall have anti-virus, firewall, and unauthorized software installation
5 protection.

6 (c) Electronic playing book devices must have the following capabilities and limitations:

7 (1) All access, activities, and entries into the playing book device shall be time, date and user
8 identification stamped.

9 (2) All information entered into the playing book device must be automatically synchronized
10 to the database in time increments of 60 seconds or less.

11 (3) Have manual synchronization capabilities.

12 (4) Have the ability to remain functional and save to the playing book device in the event of
13 database connectivity failure. Information must be synchronized upon reconnection.

14 (d) In case of a playing book device failure, printed copies of the approved electronic playing
15 book form must be available for use until the device is repaired or replaced. Any information
16 recorded manually shall be later entered into the database with a notation that the information
17 was originally recorded manually and the reason therefore.

18 (e) The licensee shall notify the Bureau within five (5) days of the following incidents:

19 (1) A device failure that prevents it from functioning as initially approved.

20 (2) Impermissible use or access to the electronic playing book device system.

21 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
22 Sections 19826, 19841, 19853 and 19984, Business and Professions Code.

23
24 **§ 12258. Electronic Playing Book Database Requirements.**

25 (a) The primary database must meet the following security requirements:

26 (1) All access, activities and data entries shall be date, time, user identification, and terminal
27 identification stamped and logged.

28 (2) All communications between the database and any terminal, including the playing book
29 devices, must be encrypted.

30 (3) The database shall have anti-virus, firewall, and unauthorized software installation
31 protection.

1 (4) The physical database must be surge protected and uninterrupted power supply (UPS)
2 protected.

3 (5) The database must be able to identify and log the date, time, and terminal of any
4 unauthorized access, system error, or connectivity failure and notify a registered or licensed IT
5 technician.

6 (b) The database must control system access through the following authentications,
7 verifications, and permissions:

8 (1) All users require a minimum of two methods of authentication at login, including but not
9 limited to the options in paragraph (11) of subsection (e) of Section 12255. The database must
10 only allow active authentications to access the device. After three failed attempts by a user to
11 access the system, the database must log the failed attempts and must not permit access under
12 that user's authentications until reset by a registered or licensed IT technician.

13 (2) An IT technician shall require a minimum of three methods of authentication for login to
14 access the database, including but not limited to the options in paragraph (11) of subsection (e)
15 of Section 12255. The database must only allow registered or licensed IT technicians with active
16 authentications to access the database. If an IT technician has three failed attempts and is denied
17 access to the database, the database must log the failed attempts, notify the primary owner, and
18 not permit access under that individual authentication until reset by another person with IT
19 technician permissions.

20 (3) The authentication for any person losing permission to use the system must be made
21 inactive within 24 hours of the loss of permission.

22 (4) The database shall not allow a user to be active on more than one terminal or device at a
23 time without specific permissions as indicated on the chart of system access for the electronic
24 playing book system. The database must be able to identify the terminal and user accessing the
25 system at all times.

26 (c) The primary database must meet the following information storage and retrieval
27 requirements:

28 (1) Data stored in the system cannot be edited, deleted, or replaced. If any necessary changes
29 to the data are made, all original data must be preserved, with a notation or documentation of any
30 edits, deletions, or replacements, and the reasons therefore.

1 (2) The database must have the ability to generate the following information:

2 (A) A system report, including, but not limited to, errors, failed login attempts, and
3 successful logins.

4 (B) A list of all notations that indicate edits, deletions, or replacements of original data.

5 (3) The database must have the capability to retrieve or display system information for
6 system integrity and certification confirmation.

7 (d) A backup of the system and database shall be performed daily and documentation
8 maintained in a physically secured location in accordance with paragraph (2) of subsection (f) for
9 five years.

10 (e) The database must have date and time synchronization for all playing book devices,
11 terminals, and the database, controlled or updated by a network time protocol server.

12 (f) The database must meet the following location requirements:

13 (1) The location of the database shall be in California and disclosed to the Bureau in
14 accordance with Section 12003; and,

15 (2) A backup storage location must be at a site other than where the primary database is
16 located for increased protection. A backup storage location shall be in California and disclosed
17 to the Bureau with consent to entry and administrative inspection by the Bureau.

18 (g) If access to the database must be made by a non-licensed party, a registered or licensed IT
19 technician shall monitor and be responsible for this access at all times.

20 (h) The licensee shall notify the Bureau within five (5) days of the following incidents:

21 (1) A system or database failure that prevents it from functioning as initially approved.

22 (2) Impermissible use or access to the electronic playing book device system.

23 (3) The database cannot synchronize information from the electronic playing book device for
24 a period longer than 24 hours.

25 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
26 Sections 19826, 19841, 19853 and 19984, Business and Professions Code.

27
28 **§ 12259. Approval of Electronic Playing Book Systems.**

29 (a) Each electronic playing book system requires prior approval by the Bureau. To obtain the
30 approval of an electronic playing book system, the form Application for Approval of Playing
31 Book Form or Electronic Playing Book System, BGC-APP 036 (Rev. 06/15), referenced in

1 subsection (b) of Section 12256, must be completed and submitted to the Bureau along with the
2 following:

3 (1) An application processing fee of \$75 per system.

4 (2) Printed playing book form, screen-shots or pictures of the form as it appears on the
5 device, a copy of the current certification of the electronic playing book system, and a
6 description of how a signature will be indicated, as specified in subsection (e) (11) of Section
7 12255.

8 (3) Certification from an independent gaming test laboratory that the electronic playing book
9 system, including the software, the database, and a playing book device prototype, meets the
10 requirements of this article. The certification shall identify which technical test standard was
11 used.

12 (4) A chart of system access, providing the position titles, methods of authentication, and the
13 permissions granted for any use of or access to the system. After initial approval, the Bureau
14 shall be notified of any changes in the chart of system access within five business days of the
15 change.

16 (5) A written summary of the design and operation of the system, and at least one of the
17 following:

18 (A) A video of the system in operation to include how the system meets the technical
19 requirements of Sections 12257 and 12258; or,

20 (B) A prototype device with written instructions and necessary access to the system; or,

21 (C) A live demonstration of the system in operation at a Bureau office or at another facility at
22 the expense of the applicant.

23 (6) The name and contact information of a registered or licensed IT technician responsible
24 for the administration of the electronic playing book system, who must be available by phone to
25 answer any questions during the Bureau's normal business hours.

26 (b) The Bureau shall notify the applicant in writing that a request or resubmitted request for
27 an electronic playing book system approval is complete and accepted for filing or is deficient,
28 and what is needed to correct any deficiencies, within 30 working days after the receipt of the
29 request. The Bureau shall review and approve or disapprove an initial or amended playing book
30 system within 120 days of receiving a completed request. Written notices shall be sent to the

1 primary owner or the primary owner's designee.

2 (c) Security or system replacements or upgrades require certification of continued
3 compliance with the requirements of this article by an independent gaming test laboratory and
4 Bureau approval.

5 (1) Security updates of a previously approved version do not require Bureau notification or
6 approval, or certification by an independent gaming test laboratory.

7 (2) Any update to software or system components developed by the licensee or an employee
8 of the licensee requires notification to the Bureau within five business days of the update. That
9 notice shall include a description of the update and its necessity.

10 Note: Authority cited: Sections 19840, 19841, 19853 and 19984, Business and Professions Code. Reference:
11 Sections 19826, 19841, 19853 and 19984, Business and Professions Code.

12
13 * * * *

14
15 Chapter 10. Discipline, Hearings, and Decisions.

16 **§ 12560. Disciplinary Guidelines for Third-Party Providers of Proposition Player Services**
17 **Licensees or Registrants.**

18 * * * *

19 (b) A license or registration granted by the Commission for an owner of a third-party
20 provider of proposition player services, as that term is used in California Code of Regulations,
21 Title 4, Section 12200, shall be subject to a minimum discipline of suspension of five days from
22 either specified gambling establishments or all gambling establishments, as the circumstances
23 and factors in mitigation or aggravation apply, and a maximum discipline of revocation, which
24 may be stayed on terms and conditions and any monetary penalty as described in Section 12554
25 (d)(7) of this chapter, if the Commission finds that:

26 * * * *

27 (20) The owner has violated the provisions regarding playing books listed in California Code
28 of Regulations, Title 4, Section ~~12200.13~~ 12251,

29 * * * *

30 Note: Authority cited: Sections 19825, 19840, 19841, 19930 and 19984, Business and Professions Code.
31 Reference: Sections 19824 and 19930, Business and Professions Code.

APPENDIX A

Request for Approval of Playing Book Form

BGC-APP. 036 (Rev. 12/11)



BUREAU OF GAMBLING CONTROL
 P.O. Box 168024 Sacramento, CA 95816-8024
 (916) 227-3584; FAX (916) 227-2308

PLEASE READ THE FOLLOWING PARAGRAPHS CAREFULLY BEFORE YOU COMPLETE THIS FORM

The owner of a Gambling Business (GB) must complete this form to receive Bureau approval of the playing book form prior to operating in any gambling establishment. In addition, the owner of the Third-Party Provider of Proposition Player Services (TP) must complete this form to obtain prior Bureau approval to utilize an amended playing book form in any gambling establishment.

Type or print legibly in blue or black ink an answer to every question. If a question does not apply to you, indicate with "N/A." If the space available is insufficient, use a separate sheet and precede each answer with the applicable item number. Any corrections, changes, or alterations must be initialed and dated. Line One: Use an "X" to identify the type of entity for which the playing book form will be used; and Line Two: Use an "X" to specify the type of enclosed form and to verify the proper fee is enclosed.

Mail To: Bureau of Gambling Control at P.O. Box 168024, Sacramento, CA 95816-8024, or for commercial / personal delivery only, 4949 Broadway, Sacramento, CA 95820.

| | | |
|---|---|---|
| 1. | <input type="checkbox"/> SERVICES (TP) | THIRD-PARTY PROVIDER OF PROPOSITION PLAYER ... GAMBLING BUSINESS (GB) |
| 2. | <input type="checkbox"/> INITIAL PLAYING BOOK FORM ENCLOSED (GB ONLY) <input type="checkbox"/> AMENDED PLAYING BOOK FORM ENCLOSED (TP or GB) | <input type="checkbox"/> \$75 CHECK OR MONEY ORDER ENCLOSED PAYABLE TO: BUREAU OF GAMBLING CONTROL |
| 3. | NAME OF TP OR GB | |
| 4. | PHYSICAL ADDRESS OF MAIN OFFICE FOR TP OR GB (<i>street, city, state, and zip code</i>) | |
| 5. | TELEPHONE NUMBER (<i>include area code</i>) | E-MAIL ADDRESS |
| 6. | NAME OF DESIGNATED AGENT FOR TP OR GB | |
| 7. | IF APPLICABLE, BRIEFLY EXPLAIN WHAT HAS BEEN AMENDED AND THE REASON FOR THE AMENDMENT | |
| I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. | | |
| OWNER'S PRINTED NAME | SIGNATURE | DATE |

Application for the Approval of Playing Book Form or Electronic Playing Book System

BGC-APP 036 (Rev. 02/16)
Page 1 of 2

| |
|-----------------|
| BUREAU USE ONLY |
| BGC ID# _____ |



MAIL COMPLETED FORM AND DEPOSIT TO:

BUREAU OF GAMBLING CONTROL
P.O. Box 168024
Sacramento, CA 95816-8024
(916) 227-3584

COMMERCIAL/EXPRESS DELIVERIES ONLY

BUREAU OF GAMBLING CONTROL
ATTN: THIRD-PARTY PROVIDER UNIT
4949 Broadway
Sacramento, CA 95820

PLEASE READ THE FOLLOWING INFORMATION CAREFULLY BEFORE YOU COMPLETE THIS FORM

All information must be typed or printed legibly in blue or black ink. If the space available is insufficient, attach a separate sheet of paper and precede each answer with the applicable section number. Please review California Code of Regulations, Title 4, Sections 12250 to 12259 prior to submitting a playing book for approval. Failure to provide the requested information may result in the abandonment or denial of this application.

Enclose a \$75 check or money order made payable to: Bureau of Gambling Control

| | | | |
|--|--|---|--|
| SECTION 1: TYPE OF FORM SUBMITTED (check one box and submit the additional required items) | | | |
| <input type="checkbox"/> HARD COPY PLAYING BOOK FORM <small>COMPLETE SECTIONS 2, 3, 7 & 8</small> | <input type="checkbox"/> ELECTRONIC PLAYING BOOK SYSTEM <small>COMPLETE SECTIONS 2, 3, 4, 5, 7 & 8</small> | | |
| SECTION 2: TYPE OF APPROVAL REQUESTED | | | |
| <input type="checkbox"/> INITIAL | <input type="checkbox"/> AMENDMENT <small>IN ADDITION TO THE SECTIONS IDENTIFIED ABOVE, COMPLETE SECTION 6</small> | | |
| SECTION 3: PRIMARY OWNER INFORMATION (check one box) | | | |
| <input type="checkbox"/> THIRD-PARTY PROVIDER OF PROPOSITION PLAYER SERVICES | | <input type="checkbox"/> GAMBLING BUSINESS | |
| <small>FULL NAME OF PRIMARY OWNER (BUSINESS ENTITY OR SOLE PROPRIETOR)</small> | | | <small>REGISTRATION/LICENSE NUMBER</small> |
| SECTION 4: INFORMATION TECHNOLOGY TECHNICIAN CONTACT INFORMATION <small>(Must be registered or licensed pursuant to CCR §12231(g))</small> | | | |
| <small>LAST NAME</small> | | <small>FIRST NAME</small> | <small>REGISTRATION/LICENSE NUMBER</small> |
| <small>MAILING ADDRESS (NUMBER/STREET/SUITE)</small> | | <small>CITY</small> | <small>STATE</small> <small>ZIP CODE</small> |
| <small>TELEPHONE NUMBER</small> | <small>FAX NUMBER</small> | <small>EMAIL ADDRESS</small> | |
| SECTION 5: DESCRIBE HOW THE SIGNATURE WILL BE INDICATED (FOR ELECTRONIC PLAYING BOOK SYSTEMS ONLY) | | | |
| | | | |
| SECTION 6: BRIEFLY EXPLAIN THE REASON FOR THE AMENDMENT AND IDENTIFY THE CHANGES <small>(FOR AMENDMENTS ONLY)</small> | | | |
| | | | |

SECTION 7: ADDITIONAL REQUIRED ITEMS

THE FOLLOWING ITEMS MUST BE SUBMITTED WITH THIS COMPLETED FORM, AS APPLICABLE. PROVIDE COPIES OF DOCUMENTS UNLESS OTHERWISE STATED. FAILURE TO PROVIDE THE REQUESTED INFORMATION MAY RESULT IN THE ABANDONMENT OR DENIAL OF YOUR APPLICATION.

MARK THE BOX NEXT TO EACH ATTACHED ITEM.

APPLICATION FEE

FOR HARD COPY PLAYING BOOK FORM:

SAMPLE PLAYING BOOK FORM

FOR ELECTRONIC PLAYING BOOK FORM SYSTEM:

PRINTED PLAYING BOOK FORM SCREEN SHOTS OR PICTURES OF THE FORM AS IT APPEARS ON THE DEVICE

CERTIFICATION FROM AN INDEPENDENT GAMING TESTING LABORATORY

CHART OF SYSTEM ACCESS

WRITTEN SUMMARY OF THE DESIGN AND OPERATION OF THE SYSTEM

EITHER: A VIDEO OF THE SYSTEM IN OPERATION A PROTOTYPE DEVICE WITH WRITTEN INSTRUCTIONS AND NECESSARY ACCESS A LIVE DEMONSTRATION OF THE SYSTEM WILL BE PROVIDED

ADDITIONAL DOCUMENTATION MAY BE REQUIRED BY THE BUREAU OF GAMBLING CONTROL.

SECTION 8: Signature

PRINTED NAME

SIGNATURE

CAPACITY

DATE (MM/DD/YYYY)

This form must be signed by the appropriate person identified below:

- *By an authorized officer, if applicant/licensee is a corporation, LLC, or joint venture.*
- *By an authorized partner, if applicant/licensee is a general partnership or limited partnership.*
- *By the owner, if applicant/licensee is a sole proprietor.*

PRIVACY NOTICE

THE INFORMATION PRACTICES ACT OF 1977 (CIVIL CODE SECTION 1798.17) AND THE FEDERAL PRIVACY ACT (PUBLIC LAW 93-579) REQUIRE THAT THIS NOTICE BE PROVIDED WHEN COLLECTING PERSONAL INFORMATION FROM INDIVIDUALS. INFORMATION REQUESTED ON THIS FORM IS REQUIRED BY THE STATE OF CALIFORNIA, DEPARTMENT OF JUSTICE, DIVISION OF LAW ENFORCEMENT, BUREAU OF GAMBLING CONTROL (BUREAU), PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 4, SECTIONS 12253 AND 12259. THE BUREAU USES THIS INFORMATION TO REVIEW AND APPROVE A PLAYING BOOK FORM OR SYSTEM.

IN ADDITION, ANY PERSONAL INFORMATION COLLECTED BY STATE AGENCIES IS SUBJECT TO THE LIMITATIONS IN THE INFORMATION PRACTICES ACT AND STATE POLICY. THE INFORMATION YOU PROVIDE MAY ALSO BE DISCLOSED IN THE FOLLOWING CIRCUMSTANCES: 1) TO ANOTHER GOVERNMENT AGENCY AS REQUIRED BY STATE OR FEDERAL LAW; 2) IN RESPONSE TO A COURT OR ADMINISTRATIVE ORDER, A SUBPOENA, OR A SEARCH WARRANT; OR, 3) PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19821(C) THIS FORM IS EXEMPT FROM THE CALIFORNIA PUBLIC RECORDS ACT.

THE DEPARTMENT OF JUSTICE'S GENERAL POLICY IS AVAILABLE AT: <http://oag.ca.gov/privacy-policy>. YOU MAY REVIEW THE RECORDS MAINTAINED BY THE BUREAU THAT CONTAIN YOUR PERSONAL INFORMATION, AS PERMITTED BY THE INFORMATION PRACTICES ACT. FOR QUESTIONS REGARDING THIS NOTICE OR ACCESS TO YOUR RECORDS, YOU MAY CONTACT THE BUREAU AT (916) 227-3584.