

1 CALIFORNIA CODE OF REGULATIONS  
2 TITLE 4. BUSINESS REGULATIONS.

3  
4 DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.  
5 (AMENDED AND ADOPTED REGULATION EFFECTIVE JANUARY 1, 2018)  
6

7 CHAPTER 1. GENERAL PROVISIONS.

8 ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

9  
10 **§ 12003. General Requirements.**

11 (a) All books, accounts, financial records, and documents required by the Commission or the  
12 Bureau must be in English.

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

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

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

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

31  
32  
33 CHAPTER 2.1. THIRD-PARTY PROVIDERS OF PROPOSITION PLAYER SERVICES: REGISTRATION;  
34 LICENSING.

35 ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

36  
37 **§ 12200. Definitions.**

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

41 (b) As used in this chapter:

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

4 \* \* \* \*

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

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

- 9 1. Primary owner,
- 10 2. Owner,
- 11 3. Supervisor, and
- 12 4. Player.

13 (B) All “other employees” (as defined in this section) must submit an application and be  
14 approved or denied based upon the same criteria that apply to a player.

15 (C) A primary owner and an owner may also perform the functions of a supervisor or player,  
16 and the holder of a supervisor’s license may also perform the functions of a player.

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

20 \* \* \* \*

21 (15) “Other employee” means an individual either employed or hired by a primary owner 2  
22 including a subcontractor or independent contractor who is present in the gambling establishment  
23 3 during the provision of proposition player services under the primary owner’s proposition  
24 player 4 contract, who is not authorized to provide proposition player services. “Other  
25 employee” does 5 not include any owner, any supervisor, or any officer or director of a primary  
26 owner that is a 6 corporation. An individual registered or licensed, as an “other employee” may  
27 not function as a 7 player unless and until that individual applies for and obtains registration or  
28 licensure as a player.

29 \* \* \* \*

30 (24) “Supervisor” means an individual who, in addition to any supervisory responsibilities,  
31 has authority, on behalf of the primary owner, to provide or direct the distribution of currency,  
32 chips, or other wagering instruments to proposition players engaged in the provision of third-  
33 party proposition player services in a gambling establishment.

34 \* \* \* \*

35 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
36 19805 and 19984, Business and Professions Code.

37  
38 **§ 12200.7. Proposition Player Contract Criteria.**

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

42 (b) Each proposition player contract must specifically require all of the following to be  
43 separately set forth at the beginning of the contract in the following order:

44 \* \* \* \*

45 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section  
46 19984, Business and Professions Code.

1 **§ 12200.9. Review and Approval of Proposition Player Contracts.**

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

8 \* \* \* \*

9 (3) A complete application for contract approval must include all of the following:

10 \* \* \* \*

11 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
12 19951 and 19984, Business and Professions Code

13  
14 **§ 12200.10A. Expedited Review and Approval of Proposition Player Contracts.**

15 (a) In lieu of the procedure specified in Section 12200.9, the Bureau must provide an  
16 expedited review process of an application for contract approval if all of the following conditions  
17 exist:

18 \* \* \* \*

19 (c) The Bureau must complete the expedited review and approval of a contract within five (5)  
20 business days of receiving all of the following:

21 \* \* \* \*

22 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
23 19951 and 19984, Business and Professions Code.

24  
25 **§ 12200.11. Extension of Proposition Player Contracts.**

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

28 \* \* \* \*

29 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
30 19951 and 19984, Business and Professions Code.

31  
32 **§ 12200.18. Revocation.**

33 The Commission may revoke a registration or license, upon any of the following grounds,  
34 after a hearing conducted pursuant to the same procedures applicable to the revocation of a  
35 gambling establishment license:

36 (a) The registrant or licensee committed, attempted to commit, or conspired to commit any  
37 acts prohibited by the Act or this chapter.

38 \* \* \* \*

39 (d) The registrant or licensee failed or refused to comply with the requirements of Section  
40 12003.

41 \* \* \* \*

42 Note: Authority cited: Sections 19840, 19941, and 19984, Business and Professions Code. Reference: Section  
43 19984, Business and Professions Code.

CHAPTER 2.2. GAMBLING BUSINESSES: REGISTRATION; LICENSING.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

**§ 12220. Definitions.**

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

(b) As used in this chapter:

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

\* \* \* \*

(13) "License" means a license issued by the Commission pursuant to Article 3 of this chapter.

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

1. Primary owner,
2. Owner,
3. Supervisor, and
4. Player.

(B) All "other employees" (as defined in this section) will be required to submit an application and be approved or denied based upon the same criteria that apply to a player.

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

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

\* \* \* \*

(16) "Other employee" means an individual either employed or hired by a primary owner including a subcontractor or independent contractor who is present in the gambling establishment during the provision of proposition player services under the primary owner's proposition player contract, who is not authorized to provide proposition player services. "Other employee" does not include any owner, any supervisor, or any officer or director of a primary owner that is a corporation. An individual registered or licensed, as an "other employee" may not function as a player unless and until that individual applies for and obtains registration or licensure as a player.

\* \* \* \*

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

**§ 12220.18. Revocation.**

The Commission may revoke a registration or license, upon any of the following grounds, after a hearing conducted pursuant to the same procedures applicable to the revocation of a gambling establishment license:

(a) The registrant or licensee committed, attempted to commit, or conspired to commit any acts prohibited by the Act or this chapter.

\* \* \* \*

1 (d) The registrant or licensee failed or refused to comply with the requirements of Section  
2 12003.

3 \* \* \* \*

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

6  
7  
8 CHAPTER 3. CONDITIONS OF OPERATION FOR PROVIDERS OF PROPOSITION PLAYER SERVICES AND  
9 GAMBLING BUSINESSES.

10 ARTICLE 1. GENERAL PROVISIONS

11  
12 **§ 12250. Definitions.**

13 (a) Except as otherwise provided in subsection (b), the definitions in Business and  
14 Professions Code section 19805, and Sections 12002, 12200, and 12220 of this division, governs  
15 the construction of this chapter.

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

17 (1) "Authentication" means the verification that an individual is authorized to access a  
18 system.

19 (A) "Active authentication" means the identification information of an individual with  
20 permission to use or access an electronic playing book system.

21 (B) "Inactive authentication" means the identification information of an individual that no  
22 longer has permission to use or access an electronic playing book system.

23 (2) "Backup" means the process of copying files to a physical and removable second medium  
24 that is accessible to the Bureau or other law enforcement, including but not limited to disk, tape,  
25 or flash memory.

26 (3) "Electronic playing book" refers to a collection of digital playing book forms.

27 (4) "Electronic Playing Book Device" or "playing book device" means a terminal used to  
28 access an electronic playing book.

29 (5) "Hardcopy playing book" means a tangible collection of paper playing book forms.

30 (6) "Independent gaming test laboratory" means a gaming test laboratory that is either:

31 (A)(1) Licensed or registered to test, approve, and certify gambling equipment, systems, and  
32 software in any United States jurisdiction; and,

33 (2) Accredited by a signatory to the International Laboratory Accreditation Cooperation  
34 Mutual Recognition Arrangement; or,

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

36 (7) "Information technology technician" or "IT technician" means any person who is  
37 responsible for and has the system permissions necessary to access an electronic playing book  
38 system, including but not limited to the software coding, data storage functions, all critical  
39 components of system functioning, and the receipt of system alerts in accordance with paragraph  
40 (5) of subsection (a) of Section 12263.

41 (8) "Ink" means a pigmented liquid or paste used especially for writing or printing. For  
42 purposes of this chapter, ink also includes printer toner powder or other means of placing an  
43 indelible mark onto paper.

44 (9) "Permissions" means the assigned level of system access rights of an individual to view  
45 or make changes to the content of a system.

1 (10) "Playing Book" means a record documenting each session of play by a third-party  
2 proposition player or by a gambling business individual player.

3 (11) "Primary database" or "database" means a collection and storage of all electronic  
4 playing book information.

5 (12) "Session of play" as used in Section 12260 means the time period when a TPPPS  
6 company or gambling business operates a player at a gaming table before the gaming table  
7 closes; however, provided that in no event may a time period be longer than 24 consecutive  
8 hours.

9 (13) "Synchronization" or "synch" means the process of uploading information from a  
10 terminal to a primary database.

11 (14) "System" means a group of interdependent components that interact regularly to  
12 perform a task.

13 (15) "Terminal" means computer hardware that is used to enter data into or display  
14 information from a system.

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

17  
18 ARTICLE 2. PLAYING BOOKS

19  
20 **§ 12260. General Provisions.**

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

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

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

33 (d) Hardcopy playing book records must be recorded in ink, and stored in accordance with  
34 Section 12003.

35 (e) Electronic playing book records must be electronically maintained in accordance with the  
36 database and backup requirements of Section 12263.

37 (f) The primary owner of a TPPPS company or gambling business must develop written  
38 procedures, acceptable to the Bureau, for limiting access to the electronic playing book system,  
39 database, and equipment; controlling passwords and segregating access within systems; dictating  
40 the complexity and expiration of passwords; and, achieving unalterable logs of user access and  
41 security incidents.

42 (g) A playing book form may use any method of data entry acceptable to the Bureau,  
43 including, but not limited to, fillable spaces, pre-filled spaces, drop-down menus, or check-  
44 boxes, as applicable. Each form in a playing book must include, but is not limited to, all of the  
45 following information:

- 1 (1) Sequential numbers including a unique identifier for the specific gambling establishment.
- 2 For hardcopy playing books, any unused form must be voided and maintained in the playing
- 3 book;
- 4 (2) The name of the gambling establishment where play occurred;
- 5 (3) The date and time of commencement of the session of play;
- 6 (4) The beginning and ending balances of the session of play and for each player that
- 7 operated during the session of play;
- 8 (5) Win and loss balances;
- 9 (6) An itemization of all fills and credits for each session of play;
- 10 (7) The printed full name and badge number of each player, including owners and
- 11 supervisors, when acting as players;
- 12 (8) The table number assigned by the gambling enterprise;
- 13 (9) The specific Bureau identification number of the Bureau-approved controlled game
- 14 played;
- 15 (10) The name of the TPPPS company or gambling business;
- 16 (11) The date and time of completion for the session of play;
- 17 (12) The signature of the player whose activity has been recorded and the signature of a
- 18 supervisor. Each signature must include a declaration regarding that player's activities in the
- 19 following form: "I declare under penalty of perjury under the laws of the State of California that
- 20 the foregoing is true and correct."; and,
- 21 (13) A place for a cage receipt to be either physically or electronically attached (as
- 22 appropriate to the playing book type).
- 23 (h) If a supervisor is not present to sign, the funds must be deposited into a TPPPS company
- 24 player's bank within the gambling establishment; and, a cage receipt must be obtained and
- 25 substituted for that signature.
- 26 (i) For electronic playing books, the version of the playing book form to be signed by the
- 27 player whose activity is being recorded must be in the same format as the printed version of the
- 28 approved playing book form and visible as one document on the playing book device. If screen
- 29 size is a constraint, scrolling across or up and down to view different areas of the form is
- 30 permitted.
- 31 (j) All IT technicians employed by or contracting with a licensee must be registered or
- 32 licensed as "other employees" pursuant to Chapter 2.1 or 2.2, as applicable, regardless if they are
- 33 present in the gambling establishment or not. This requirement applies to any subcontractor,
- 34 independent contractor, or employee thereof who is authorized to perform IT technician duties as
- 35 defined in paragraph (7) of subsection (b) of Section 12250.
- 36 (k) Any incident notification requirements as found in section 12290(c) must be submitted to
- 37 the Bureau with the following information:
- 38 (1) Name of the TPPPS company or gambling business.
- 39 (2) Location(s) of incident to include, but is not limited to, the table number or server
- 40 location, if applicable.
- 41 (3) Date of the incident.
- 42 (4) Date of discovery of incident.
- 43 (5) Name of person reporting the incident.
- 44 (6) Description of incident and impact to the electronic playing book system or device.
- 45 (7) Description of data compromised.
- 46 (8) Resolution or plan to resolve the reported incident.

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

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

4  
5 **§ 12261. Review of Playing Book Forms.**

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

8 (b) To request the review of a new or amended hardcopy playing book, the form Application  
9 for Playing Book Approval, BGC-APP 036 (Rev. 10/17), attached in Appendix A to this chapter,  
10 must be completed and submitted to the Bureau along with the following:

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

12 (2) Those using hardcopy playing books must submit a sample playing book form that  
13 complies with Section 12260. Those using an electronic playing book system must submit all  
14 required information that complies with Sections 12260 and 12262.

15 (3) If the request is to amend an existing approved playing book form, a brief description of  
16 any changes made to the previously approved form must be included.

17 (c) The Bureau must notify the applicant in writing that an application or a resubmitted  
18 application for an initial or amended hardcopy playing book form is complete and accepted for  
19 filing; or, is deficient and what is necessary to correct any deficiencies within 10 working days  
20 after the receipt of the application. The Bureau must review and approve or disapprove an initial  
21 or amended playing book form within 30 calendar days of receiving a completed application.  
22 Written notices regarding this review must be sent to the primary owner or the designated agent.

23 (d) If a change is non-substantive, for example, the addition of a Bureau-approved controlled  
24 game, or a change in formatting, font, spacing, or other cosmetic change, the primary owner  
25 must submit a notice and copy of the revised form to the Bureau to update the Bureau's records.  
26 This notice will be deemed accepted unless otherwise notified in writing by the Bureau within 30  
27 calendar days of receiving the notice. The Bureau may determine the change is substantive and  
28 require the primary owner to request approval pursuant to subsection (b).

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

31 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
32 19826, 19841, and 19984, Business and Professions Code.

33  
34 **§ 12262. Electronic Playing Book Device Requirements.**

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

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

39 (2) The playing book form and recorded data must be exportable as a printable version of the  
40 playing form and to a spreadsheet file format.

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

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

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

44 (2) The device must have anti-virus, firewall, and unauthorized software installation  
45 protection.

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



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

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

5 (3) The capability for manual synchronization.

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

8 (5) The ability to accept signatures. A signature consists of any method that is supported by  
9 the electronic playing book system and approved by the Bureau. This may include, but is not  
10 limited to, a signature signed onto a touch-screen, the activation of a mandatory checkbox, or the  
11 use of one or more secured authentications, or any combination thereof. Examples of  
12 authentication include, but are not limited to, unique username, password, pin, fob/badge  
13 recognition, security image, caption verification, security question, Quick Response (QR)  
14 coding, biometrical verification, or facial recognition, or any combination thereof.

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

19 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
20 19826, 19841, and 19984, Business and Professions Code.

21  
22 **§ 12263. Electronic Playing Book Database Requirements.**

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

24 (1) All access, activities, and data entries must be date, time, user identification, and terminal  
25 identification stamped and logged.

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

28 (3) The database must have anti-virus, firewall, and unauthorized software installation  
29 protection.

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

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

35 (b) The database must control system access through the following authentications and  
36 permissions:

37 (1) All users require a minimum of two methods of authentication at login, including but not  
38 limited to the options in paragraph (5) of subsection (c) of Section 12262. The database must  
39 only allow active authentications to access the device. After three failed attempts by a user to  
40 access the system, the database must log the failed attempts and must not permit access under  
41 that user's authentications until the login account has been reset.

42 (2) An IT technician requires a minimum of three methods of authentication for login to  
43 access the database, including but not limited to the options in paragraph (5) of subsection (c) of  
44 Section 12262. The database must only allow IT technicians with active authentications to  
45 access the database. If an IT technician has three failed attempts and is denied access to the  
46 database, the database must log the failed attempts, notify the primary owner, and not permit

1 access under that individual authentication until reset by another person with IT technician  
2 permissions.

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

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

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

11 (1) Original data stored in the system cannot be edited, deleted, or replaced. If a change to  
12 the data is made, all original data must be preserved, with a notation or documentation of any  
13 change, and the reasons therefore.

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

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

17 (B) A list of all notations as required in paragraph (1).

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

20 (d) A backup of the system and database must be performed daily and documentation  
21 maintained in a physically secured location in accordance with paragraph (2) of subsection (f) for  
22 five years.

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

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

26 (1) The location of the database must be in California and disclosed to the Bureau in  
27 accordance with Section 12003; and,

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

31 (g) If access to the database must be made by a non-licensed party, an IT technician must  
32 monitor and be responsible for this access at all times.

33 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
34 19826, 19841, and 19984, Business and Professions Code.

35  
36 **§ 12264. Review and Certification of Electronic Playing Book Systems.**

37 (a) Each electronic playing book system requires prior review and approval by the Bureau.  
38 To request review of the electronic playing book system, the form Application for Playing Book  
39 Approval, BGC-APP 036 (Rev. 10/17), referenced in subsection (b) of Section 12261, must be  
40 completed and submitted to the Bureau along with the following:

41 (1) An application processing fee of \$1200 per system.

42 (2) Printed playing book form, screen-shots or pictures of the form as it appears on the  
43 device, a copy of the current certification of the electronic playing book system, and a  
44 description of how a signature will be indicated, as specified in paragraph (5) of subsection (c) of  
45 Section 12262.

46 (3) Certification from an independent gaming test laboratory that the electronic playing book  
47 system, including the software, the database, and a playing book device prototype, meets the

1 requirements of this article. The certification must identify which technical test standard was  
2 used.

3 (4) A chart of system access, providing the position titles, methods of authentication, and the  
4 permissions granted for any use of or access to the system. After initial approval, the Bureau  
5 must be notified in writing of any changes in the chart of system access within five business days  
6 of the change.

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

9 (A) A video of the system in operation to include how the system meets the technical  
10 requirements of Sections 12262 and 12263; or,

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

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

14 (6) The name and contact information of the IT technician responsible for the administration  
15 of the electronic playing book system, who must be available by phone to answer any questions  
16 during the Bureau's normal business hours.

17 (b) The Bureau must notify the applicant in writing that a request or resubmitted request for  
18 an electronic playing book system approval is complete and accepted for filing or is deficient,  
19 and what is needed to correct any deficiencies, within 30 working days after the receipt of the  
20 request. The Bureau must review and approve or disapprove an initial or amended playing book  
21 system within 120 calendar days of receiving a completed request. The Bureau must send  
22 written notices to the primary owner or the primary owner's designated agent.

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

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

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

31 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections  
32 19826, 19841, and 19984, Business and Professions Code.

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35 ARTICLE 3. (RESERVED)

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37 ARTICLE 4. SECURITY AND USE OF PLAYER'S BANKS

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39 **§ 12285. General Provisions.**

40 (a) Any written procedures required pursuant to this Chapter must be submitted to the Bureau  
41 for their review and approval. This includes any amendments made to the written procedures  
42 after initial approval.

43 (b) The written procedures must be established and implemented in accordance with the  
44 applicable provisions of this chapter on or before July 1, 2018.

45 Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section  
46 19826, 19841, 19920, and 19984, Business and Professions Code.

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**§ 12287. Loss Notification.**

(a) A licensed or registered TPPPS company and gambling business must develop written procedures which:

(1) Establish a dollar threshold for notification to the primary owner of any significant loss incurred in a single controlled game immediately upon the determination of the loss.

(2) Includes a provision that requires notification to the Bureau’s Criminal Intelligence Unit 24 hours after notification has been made to the primary owner.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19826, 19841, 19920, and 19984, Business and Professions Code.

ARTICLE 5. COMPLIANCE

**§ 12290. Compliance.**

(a) A registrant or licensee under Chapter 2.1 or Chapter 2 must comply with game rules approved by the Bureau, including but not limited to the rules regarding player-dealer rotation and table wagering.

(b) Only an authorized player for a TPPPS and Gambling Business, as applicable, may possess, direct, or otherwise control currency, chips, or other wagering instruments used for play in the operation of the gambling business.

(c) The licensee must notify the Bureau within five calendar days of the following incidents:

(1) An electronic playing book device, system, or database failure that prevents it from functioning as initially approved.

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

(3) Failure of the electronic playing book database to synchronize information from the electronic playing book device for a period longer than 24 hours.

(d) A proposition player contract may, concerning any table assigned for play by the contracted registrant or licensee, contain a provision precluding players of any other registrant or licensee under Chapters 2.1 or Chapter 2.2 of this division from playing at that table during the periods of play assigned by the proposition player contract for the contracted registrant or licensee.

(e) The house is not precluded from assigning a seat at the table to a registrant or licensee.

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

CHAPTER 10. DISCIPLINE, HEARINGS, AND DECISIONS.

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

\* \* \* \*

(b) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services, as that term is used in California Code of Regulations, Title 4, Section 12200, must be subject to a minimum discipline of suspension of five days from either specified gambling establishments or all gambling establishments, as the circumstances

1 and factors in mitigation or aggravation apply, and a maximum discipline of revocation, which  
2 may be stayed on terms and conditions and any monetary penalty as described in paragraph (7)  
3 of subsection (d) of Section 12554 of this chapter, if the Commission finds that:

4 \* \* \* \*

5 (20) The owner has violated the provisions regarding playing books listed in California Code  
6 of Regulations, Title 4, Section 12250,

7 \* \* \* \*

8 (c) A supervisor, player, or other employee, as those terms are used in California Code of  
9 Regulations, Title 4, Section 12200, must be subject to a minimum monetary penalty of \$100  
10 and/or a suspension of three days and a maximum penalty of revocation if the Commission finds  
11 that:

12 \* \* \* \*

13 (10) The supervisor, player, or other employee has failed to comply with California Code of  
14 Regulations, Title 4, Section 12290.

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

17  
18 **§ 12562. Disciplinary Guidelines for Gambling Business Licensees or Registrants.**

19 \* \* \* \*

20 (c) A supervisor, player, or other employee, as those terms are used in California Code of  
21 Regulations, Title 4, Section 12220, must be subject to a minimum monetary penalty of \$100  
22 and/or a suspension of three days and a maximum penalty of revocation if the Commission finds  
23 that:

24 \* \* \* \*

25 (10) The supervisor, player, or other employee has failed to comply with California Code of  
26 Regulations, Title 4, Section 12290.

27 \* \* \* \*

28 Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference:  
29 Sections 19853(a)(3) and 19930, Business and Professions Code.

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## APPENDIX A

# Application for Playing Book Approval

BUREAU USE ONLY

BGC ID# \_\_\_\_\_



**MAIL COMPLETED FORM AND DEPOSIT TO:**

BUREAU OF GAMBLING CONTROL  
P.O. Box 168024  
Sacramento, CA 95816-8024  
(916) 830-1700

**COMMERCIAL/EXPRESS DELIVERIES ONLY**

BUREAU OF GAMBLING CONTROL  
ATTN: THIRD-PARTY PROVIDER UNIT  
2450 Del Paso Road, Suite 100  
Sacramento, CA 95834

**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 12290 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 check or money order made payable to: Bureau of Gambling Control**

<b>SECTION 1: TYPE OF FORM SUBMITTED</b> (check one box and submit the additional required items)			
<input type="checkbox"/> <b>HARD COPY PLAYING BOOK FORM</b> (\$75) COMPLETE SECTIONS 2, 3, 7 & 8		<input type="checkbox"/> <b>ELECTRONIC PLAYING BOOK SYSTEM</b> (\$1200) COMPLETE SECTIONS 2, 3, 4, 5, 7 & 8	
<b>SECTION 2: TYPE OF APPROVAL REQUESTED</b>			
<input type="checkbox"/> <b>INITIAL</b>		<input type="checkbox"/> <b>AMENDMENT</b> IN ADDITION TO THE SECTIONS IDENTIFIED ABOVE, COMPLETE SECTION 6	
<b>SECTION 3: PRIMARY OWNER INFORMATION</b> (check one box)			
<input type="checkbox"/> <b>THIRD-PARTY PROVIDER OF PROPOSITION PLAYER SERVICES</b>		<input type="checkbox"/> <b>GAMBLING BUSINESS</b>	
FULL NAME OF PRIMARY OWNER (BUSINESS ENTITY OR SOLE PROPRIETOR)			REGISTRATION/LICENSE NUMBER
<b>SECTION 4: INFORMATION TECHNOLOGY TECHNICIAN CONTACT INFORMATION</b> <i>(Must be registered or licensed pursuant to CCR §12260(j))</i>			
LAST NAME		FIRST NAME	REGISTRATION/LICENSE NUMBER
MAILING ADDRESS (NUMBER/STREET/SUITE)		CITY	STATE      ZIP CODE
TELEPHONE NUMBER	FAX NUMBER	EMAIL ADDRESS	
<b>SECTION 5: DESCRIBE HOW THE SIGNATURE WILL BE INDICATED</b> (FOR ELECTRONIC PLAYING BOOK SYSTEMS ONLY)			
<b>SECTION 6: BRIEFLY EXPLAIN THE REASON FOR THE AMENDMENT AND IDENTIFY THE CHANGES</b> <i>(FOR AMENDMENTS ONLY)</i>			

## 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 (HARD COPY PLAYING BOOK FORM-\$75) (ELECTRONIC PLAYING BOOK SYSTEM-\$1200)

### FOR HARD COPY PLAYING BOOK FORM:

SAMPLE PLAYING BOOK FORM

### FOR ELECTRONIC PLAYING BOOK 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

AT LEAST ONE OF THE FOLLOWING:  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 12261 AND 12264. 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.