

1 CALIFORNIA GAMBLING CONTROL COMMISSION
2 SPECIFIC LANGUAGE OF PROPOSED REGULATIONS
3 INCIDENT REPORTING
4 CGCC-GCA-2022-04-R
5

6 Title 4. Business Regulations.
7 Division 18. California Gambling Control Commission.
8

9 CHAPTER 3. CONDITIONS OF OPERATION FOR TPPPS BUSINESSES

10 ARTICLE 1. SECURITY AND USE OF PLAYER'S BANKS

11
12 **§ 12282. Incident Reports.**

13 TPPPS business licensees must submit an "Incident Report Form," CGCC-CH7-08,
14 as referred to in paragraph (3) of subsection (a) of Section 12395 within five business
15 days of:

16 (a) Obtaining evidence that a reasonably suspected incident, as identified in
17 paragraph (3) of subsection (a) of Section 12395, occurred within any space owned,
18 managed, controlled, or rented by the TPPPS business licensee and involves a TPPPS
19 category licensee, non-licensed employee, or a subcontractor or independent contractor
20 hired by the TPPPS business licensee. This does not include any space for which a
21 cardroom business licensee must file an incident report pursuant to paragraph (3) of
22 subsection (a) of Section 12395, or any subcontractor or independent contractor whose
23 duties are not directly related to the underlying business purpose or required
24 administrative processes of the TPPPS business licensee.

25 (b) Any approval with conditions, denial, suspension, or revocation of a license,
26 permit, or authorization to work in a gambling establishment by any city, county, or city
27 and county regarding any associated TPPPS endorsee licensee or TPPPS employee type
28 licensee. An incident report does not need to be filed for a denial unless that denial is
29 pursuant to Business and Profession Code section 19912 or a reason that is substantially
30 similar to either subdivision (a) or (b) of Business and Professions Code section 19857.

31 (c) Determining that any associated TPPPS endorsee licensee or TPPPS employee
32 type licensee was arrested.

Additions in blue underline; deletions in ~~red-strikeout~~

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

3
4 **CHAPTER 7. CONDITIONS OF OPERATION FOR GAMBLING ESTABLISHMENTS**

5 **ARTICLE 3. MINIMUM INTERNAL CONTROL STANDARDS (MICS) FOR**
6 **CARDROOM BUSINESS LICENSEES**

7
8 **§ 12395. Security.**

9 (a) The policies and procedures for all Tiers must meet or exceed the following
10 standards for security:

11 (1) Unless otherwise allowed by statute or regulation:

12 (A) Access to ~~restricted non-public~~ areas of the gambling establishment which have
13 access to the gambling establishment's currency or unsecured gambling equipment other
14 than gaming tables, including but not limited to cages, count rooms, vaults, and security
15 offices ~~and surveillance rooms~~, must be limited to authorized ~~personnel~~ cardroom
16 category licensees, holders of a local work permit, or employees of a registered
17 manufacturer or distributor only in the performance of their duties, or other person(s) if
18 escorted and observed at all times by an authorized cardroom category licensee or holder
19 of a local work permit in person or observed through a continuous live surveillance
20 system and must be closely controlled. For the purposes of this paragraph, unsecured
21 gambling equipment means any gambling equipment in a non-public area that is not
22 stored in a locked receptacle, drawer, or compartment which is under camera.

23 (B) Access to any room used for the media storage for the surveillance system,
24 pursuant to Section 12396, must be limited to authorized cardroom category licensees
25 and holders of a local work permit only in the performance of their duties, or other
26 person(s) either if escorted and observed at all times by an authorized cardroom category
27 licensee or holder of a local work permit in person, or observed or reviewed by a
28 cardroom category licensee or holder of a local work permit using a continuous
29 surveillance system.

30 (C) This paragraph does not limit a proposition player contract's inclusion of a
31 provision consistent with paragraph (13) of subsection (b) of Section 12270.

32 (2) ...

1 (3) Cardroom business licensees must ~~file an incident report with the Bureau's~~
2 ~~Criminal Intelligence Unit~~ submit an "Incident Report Form," CGCC-CH7-08 (New
3 08/22), which is attached in Appendix A to this Chapter within five business days of
4 obtaining evidence that a reasonably suspected incident~~either of the following~~ occurred
5 within the gambling establishment or in any adjacent space owned, managed, controlled,
6 rented, or utilized by the cardroom business licensee for or in connection with the
7 gambling operation. This includes, but is not limited to parking lots, restrooms,
8 restaurants, or hotels. For purposes of this paragraph, the cardroom business licensee is
9 not required to submit an incident report for an incident that occurs in a part of the
10 gambling establishment or adjacent space owned, managed, or rented by the cardroom
11 business licensee if that space is solely utilized by the TPPPS business licensee under the
12 terms of the TPPPS contract. The reasonably suspected incidents that must be reported
13 are any of the following:

14 (A) ~~Any cardroom owner type licensee or key employee licensee contacting a local~~
15 ~~law enforcement agency, pursuant to the provisions of the licensee's security plan,~~
16 ~~regarding any reasonably suspected violation~~ A violation of the Act, this division,
17 Division 3 of Title 11 of the California Code of Regulations, any statute set forth in
18 sections 330 through 337z of the Penal Code, and any misdemeanor involving a violation
19 of an ordinance of the applicable city, county, or city and county that pertains to
20 gambling;

21 (B) A violation of Section 1916-3(b) of the Civil Code (loan-sharking), or any
22 successor provision;

23 (C) Any act of or involving distributing, as defined in Section 11012 of the Health
24 and Safety Code, a controlled substance, as defined in Section 11007 of the Health and
25 Safety Code, or any successor provision;~~chapter 1 (commencing with section 11000) of~~
26 ~~division 10 of the Health and Safety Code (illegal possession or distribution of controlled~~
27 ~~substances); section 4022 of the Business & Professions Code (illegal possession or~~
28 ~~distribution of dangerous drugs);~~

1 (D) Any incident involving a property loss valued at an amount consistent with the
2 dollar amount provided in subdivision (a) of Penal Code section 487, or any successor
3 provision;

4 (E) Any incident involving the death of a person;

5 (F) Any incident involving the on-site presence of law enforcement in response to a
6 physical injury of a person;

7 (G) Any theft of \$500 or more in chips;

8 (H) Any discovery of \$500 or more in counterfeit currency and/or chips in a 24 hour
9 period;

10 (I) Any discovery of \$500 or more in counterfeit currency and/or chips cumulatively
11 linked to a specific individual or group of individuals over a two week period;

12 (J) Any incident identified in subparagraphs (D), (G) or (H), regardless of the dollar
13 amounts, if reasonably suspected of a cardroom category licensee, local work permittee,
14 or TPPPS category licensee;

15 (K) Any incident which involves the immediate evacuation of the gambling
16 establishment, such as Penal Code Section 148.1 (false bomb threat), or any successor
17 provision; or,

18 (L) or any violation of the following Any incident that could be a reasonably
19 suspected violation of any of the following Penal Code sections: 148.10 (resisting a peace
20 officer resulting in death or serious bodily injury to peace officer), 186.10 (money
21 laundering), 211 (robbery), 220 (assault with intent to commit mayhem, rape, sodomy,
22 oral copulation or other specified offense), 236.1 (human trafficking), 243.4 (sexual
23 battery), 245 (assault with deadly weapon or force likely to produce great bodily injury),
24 261 (rape), 266h (pimping and pimping a minor), 266i (pandering and pandering a
25 minor), 286 (criminal sodomy), 287 (criminal oral copulation), 288 (lewd and lascivious
26 acts on a child), 289 (forcible acts of sexual penetration), 347 (poisoning food or drink),
27 422 (criminal threats), 459 (burglary), 470 (forgery, signatures or seals), 470b (display or
28 possession of forged driver's license or identification card), 476 (forgery, fictitious or
29 altered bills, notes or checks fraud), 487 (grand theft), 488 (petty theft), 503
30 (embezzlement), 518 (extortion), 641.3 (commercial bribery), 648 (counterfeit currency),

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1 ~~653.22 (loiter for prostitution)~~, 653.23 (supervising or otherwise aiding a
2 prostitute/pimping), ~~or~~ 647(b) (prostitution), or any successor provisions.

3 ~~(B) Any cardroom owner type licensee or key employee licensee obtaining~~
4 ~~knowledge or notice of any reasonably suspected violation listed in subparagraph (A).~~

5 ~~(4) An incident report must include, when available and applicable, the following~~
6 ~~information:~~

7 ~~(A) The date and time of the incident or event.~~

8 ~~(B) The identity of each perpetrator or suspect, including the following:~~

9 ~~1. Full name.~~

10 ~~2. Address.~~

11 ~~3. Date of birth.~~

12 ~~4. Driver license or identification card number.~~

13 ~~(C) Law enforcement report number.~~

14 ~~(D) Detailed description of the event or suspected incident, including an~~
15 ~~identification of any witnesses and a description of any evidence.~~

16 ~~(4)(5)~~

17 (5) Within five business days of filing a Title 31 Suspicious Activity Report with the
18 Financial Crimes Enforcement Network (FinCEN), the cardroom business licensee must
19 submit an “Incident Report Form,” CGCC-CH7-08, and provide a copy of the Title 31
20 Suspicious Activity Report to the Bureau. Upon request by the Bureau, the cardroom
21 business licensee must provide any transactions and documents upon which the Title 31
22 Suspicious Activity Report was based.

23 (6) Within five business days of the forfeiture of any unredeemed jackpots or prizes
24 won pursuant to subparagraph (C) of paragraph (4) of subsection (a) of Section 12463 or
25 paragraph (5) of subsection (a) of Section 12464, the cardroom business licensee must
26 submit an “Incident Report Form,” CGCC-CH7-08, to provide notification to the Bureau
27 of said forfeiture.

28 (7) The cardroom business licensee must submit an “Incident Report Form,” CGCC-
29 CH7-08, within five business days of determining that any associated cardroom endorsee
30 licensee, cardroom employee type licensee, or holder of a local work permit was arrested.

1 (8) The cardroom business licensee must submit an “Incident Report Form,” CGCC-
2 CH7-08, within five business days of any approval with conditions, denial, suspension, or
3 revocation of a license, permit, or authorization to work in a gambling establishment by
4 any city, county, or city and county regarding any associated cardroom endorsee licensee,
5 cardroom employee type licensee, or holder of a local work permit. An incident report
6 does not need to be filed for a denial unless that denial is pursuant to Business and
7 Profession Code section 19912 or a reason that is substantially similar to either
8 subdivision (a) or (b) of Business and Professions Code section 19857.

9 ...

10 Note: Authority cited: Sections 19801(g), 19826(b), 19840, 19841, ~~19856(e)~~, 19857 and 19924,
11 Business and Professions Code. Reference: Sections 19841, ~~19856(e)~~, 19857, ~~19912~~, 19922 and
12 19924, Business and Professions Code.

31 ///

APPENDIX A

Incident Report Form

CGCC-CH7-08 (New 08/22)
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BUREAU USE ONLY
BGC ID# _____



MAIL COMPLETED FORM TO:
BUREAU OF GAMBLING CONTROL
ATTN: Criminal Intelligence Unit
P.O. Box 168024
Sacramento, CA 95816-8024
(916) 830-1700

OR

EMAIL COMPLETED FORM TO:
BGCCIU@doj.ca.gov
Subject: Incident Report Submittal

I Request All Communication Be Via Email

PLEASE READ THE FOLLOWING INFORMATION CAREFULLY BEFORE YOU COMPLETE THIS FORM

Complete this form to notify the Bureau of Gambling Control (Bureau) of an incident (as required in Title 4, CCR, Sections 12282 and 12395).

For all submittal types, please complete sections 1, 2, 3, 4, and 8. Additionally, please also complete the following:

- When reporting an incident as required in Title 4, CCR, Sections 12282(a) or 12395(a)(3), please also complete sections 5, 6 and 7 with the best information available.
- When reporting the status of an employee’s local approval as required in Title 4, CCR, Sections 12282(b) or 12395(a)(8), please also complete first two lines of section 5 and section 6.
- When reporting a FinCEN file/number as required in Title 4, CCR, Section 12395(a)(5), only the above referenced sections are required.
- When reporting a forfeiture as required in Title 4, CCR, Section 12395(a)(6), only the above referenced sections are required.
- When reporting an arrest as required in Title 4, CCR, Sections 12282(c) or 12395(a)(7), please also complete the first two section 5 and section 6.

All information must be typed or printed legibly in blue or black ink. If additional space is needed, please note response on a separate sheet of paper and attach to the form. For any unavailable information that is required to be completed, must indicate “unknown”.

SECTION 1: OWNER CATEGORY LICENSEE INFORMATION	
TYPE OF LICENSE	
<input type="checkbox"/> CARDROOM BUSINESS LICENSE	<input type="checkbox"/> TPPPS BUSINESS LICENSE
OWNER CATEGORY LICENSEE NAME	
BUSINESS ADDRESS (STREET, CITY, STATE, ZIP CODE)	

SECTION 2: REPORTER INFORMATION		
FULL NAME: LAST	FIRST	MIDDLE
PRIMARY TELEPHONE NUMBER	BUSINESS NUMBER	EMAIL ADDRESS
JOB TITLE	LICENSING NUMBER	DATE COMPLETING FORM

SECTION 3: ALTERNATIVE PREFERRED CONTACT		
Please note: The Bureau may still contact the reporter provided in Section 2, if necessary.		
FULL NAME: LAST	FIRST	MIDDLE
PRIMARY TELEPHONE NUMBER	BUSINESS NUMBER	EMAIL ADDRESS
JOB TITLE	LICENSING NUMBER	DATE COMPLETING FORM

SECTION 4: INCIDENT INFORMATION		
DATE OF INCIDENT	TIME OF INCIDENT	TYPE OF INCIDENT
DETAILED DESCRIPTION OF INCIDENT		

SECTION 5: SUSPECT INFORMATION			
Please provide all available information. For unavailable information, must indicate "unknown".			
FULL NAME: LAST	FIRST	MIDDLE	
PRIMARY TELEPHONE NUMBER	BUSINESS NUMBER	EMAIL ADDRESS	
HEIGHT	WEIGHT	HAIR COLOR	EYE COLOR
DRIVER'S LICENSE/IDENTIFICATION CARD NUMBER		STATE	EXPIRATION DATE (MM/DD/YYYY)
DATE OF BIRTH	RACE/ETHNICITY	GENDER	
DISTINGUISHING MARKS (SUCH AS VISIBLE SCARS OR TATTOOS – DESCRIBE MARK & LOCATION)			
MAKE AND MODEL OF VEHICLE		LICENSE PLATE	

SECTION 6: EMPLOYEE INFORMATION			
If the suspect identified in section 5 is an employee or independent contractor for the cardroom business licensee or TPPPS business licensee, complete this section.			
<input type="checkbox"/> EMPLOYEE	<input type="checkbox"/> INDEPENDENT CONTRACTOR		
WORK PERMIT, CARDROOM EMPLOYEE LICENSE, TPPPS EMPLOYEE LICENSE NUMBER, FINDING OF SUITABILITY AND ISSUING AGENCY (IF APPLICABLE)			
PRIOR TO THE SUBMITTAL OF THIS INCIDENT REPORT, WAS THE EMPLOYEE RELATIONSHIP TERMINATED, IN WHOLE OR IN PART, AS A RESULT OF THIS INCIDENT?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unknown

SECTION 7: LAW ENFORCEMENT AGENCY INFORMATION

Please provide all available information

WAS A LAW ENFORCEMENT AGENCY NOTIFIED?

Yes

No

IF YES, PLEASE PROVIDE A CASE NUMBER

DATE REPORTED

AGENCY NAME

EVIDENCE PROVIDED:

SECTION 8: DECLARATION

I declare under penalty of perjury under the laws of the State of California that the information in this form is true, accurate, and complete, and that this declaration is executed by me at _____.

City and State

PRINTED NAME

SIGNATURE

DATE (MM/DD/YYYY)

This form must be signed by the person identified in Section 2