

CALIFORNIA GAMBLING CONTROL COMMISSION
MODIFIED LANGUAGE OF PROPOSED REGULATIONS
INCIDENT REPORTING
CGCC-GCA-2022-04-R

Title 4. Business Regulations.
Division 18. California Gambling Control Commission.

CHAPTER 3. CONDITIONS OF OPERATION FOR TPPPS BUSINESSES

ARTICLE 1. SECURITY AND USE OF PLAYER’S BANKS

§ 12282. Incident Reports.

TPPPS business licensees must submit an “Incident Report Form,” CGCC-CH7-08, as referred to in paragraph (4)(3) of subsection (a) of Section 12395 within five business days of:

(a) Obtaining evidence that a reasonably suspected incident, as identified in paragraph (4)(3) of subsection (a) of Section 12395, occurred within any space owned, managed, controlled, or rented by the TPPPS business licensee and involves a TPPPS category licensee, non-licensed employee, or a subcontractor or independent contractor hired by the TPPPS business licensee. This does not include any space for which a cardroom business licensee must file an incident report pursuant to paragraph (4)(3) of subsection (a) of Section 12395, or any subcontractor or independent contractor whose duties are not directly related to the underlying business purpose or required administrative processes of the TPPPS business licensee.

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

DRAFT

1 similar to either subdivision (a) or (b) of Business and Professions Code section 19857 or
2 any subdivision of Business and Professions Code section 19859.

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

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

8 CHAPTER 7. CONDITIONS OF OPERATION FOR GAMBLING ESTABLISHMENTS

9 ARTICLE 3. MINIMUM INTERNAL CONTROL STANDARDS (MICS) FOR 10 CARDROOM BUSINESS LICENSEES

11 § 12395. Security.

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

14 (1) ~~Unless otherwise allowed by statute or regulation:~~
15 ~~(A)~~ Access to ~~restricted~~ non-public areas of the gambling establishment which have
16 access to the gambling establishment's currency or unsecured gambling equipment ~~other~~
17 ~~than gaming tables~~, including but not limited to cages, count rooms, vaults, and security
18 offices ~~and surveillance rooms~~, must be limited to authorized personnel cardroom
19 category licensees, holders of a local work permit, or employees of a registered
20 manufacturer or distributor only in the performance of their duties, or other person(s) if
21 escorted and observed at all times by an authorized cardroom category licensee or holder
22 of a local work permit in person or observed through a continuous live surveillance
23 system ~~and must be closely controlled~~. For the purposes of this paragraph, unsecured
24 gambling equipment means any gambling equipment in a non-public area that is not
25 stored in a locked receptacle, drawer, or compartment which is under camera, and does
26 not include any gambling equipment that is not subject to tampering or related to game
27 outcomes, such as gaming tables, table felts, chip trays, and lammers. This paragraph
28 does not limit a proposition player contract's inclusion of a provision consistent with
29 paragraph (13) of subsection (b) of Section 12270.
30

Additions in blue underline; deletions in ~~red strikeout~~ **DRAFT**
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/3/2023

Page 2 of 14

DRAFT

1 (2)(B) Access to any room used for the media storage for the surveillance system,
2 pursuant to Section 12396, must be limited to authorized cardroom category licensees
3 and holders of a local work permit only in the performance of their duties, or other
4 person(s) either if escorted and observed at all times by an authorized cardroom category
5 licensee or holder of a local work permit in person, or observed or reviewed by a
6 cardroom category licensee or holder of a local work permit using a continuous
7 surveillance system. This paragraph does not limit a proposition player contract’s
8 inclusion of a provision consistent with paragraph (13) of subsection (b) of Section
9 12270.

10 ~~(C) This paragraph does not limit a proposition player contract’s inclusion of a~~
11 ~~provision consistent with paragraph (13) of subsection (b) of Section 12270.~~

12 ~~(3)(2) ...~~

13 (4) Cardroom business licensees must submit an “Incident Report Form,” CGCC-
14 CH7-08 (New 08/22), which is attached in Appendix A to this Chapter, within five
15 business days of the following incidents:

16 (A) When the cardroom business licensee obtains evidence that a reasonably
17 suspected violation of any of the following occurred:

18 1. The Act, this division, Division 3 of Title 11 of the California Code of
19 Regulations, any statute set forth in sections 330 through 337z of the Penal Code, or any
20 misdemeanor involving a violation of an ordinance of the applicable city, county,
21 or city and county that pertains to gambling;

22 2. Section 1916-3(b) of the Civil Code (loan-sharking), or any successor
23 provision;

24 3. Section 11012 of the Health and Safety Code (distributing a controlled
25 substance), as defined in Section 11007 of the Health and Safety Code, or any
26 successor provision;

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

DRAFT

Revision Date: 2/10/2023

Page 3 of 14

DRAFT

1 4. Penal Code sections 148.10 (resisting a peace officer resulting in death or
2 serious bodily injury to peace officer), 186.10 (money laundering), 211 (robbery),
3 220 (assault with intent to commit mayhem, rape, sodomy, oral copulation or
4 other specified offense), 236.1 (human trafficking), 243.4 (sexual battery), 245
5 (assault with deadly weapon or force likely to produce great bodily injury), 261
6 (rape), 266h (pimping and pimping a minor), 266i (pandering and pandering a
7 minor), 286 (criminal sodomy), 287 (criminal oral copulation), 288 (lewd and
8 lascivious acts on a child), 289 (forcible acts of sexual penetration), 347
9 (poisoning food or drink), 422 (criminal threats), 470 (forgery, signatures or seals),
10 470b (display or possession of forged driver's license or identification card), 476
11 (forgery, fictitious or altered bills, notes or checks), 518 (extortion), 641.3
12 (commercial bribery), 653.23 (supervising or otherwise aiding a prostitute), 647(b)
13 (prostitution), or any successor provisions.

14 (B) Any incident involving:

15 1. A theft valued at an amount consistent with the dollar amount provided in
16 subdivision (a) of Penal Code section 487, or any successor provision;

17 2. The death of a person;

18 3. The on-site presence of law enforcement in response to a physical injury of a
19 person;

20 4. The theft of \$500 or more in chips;

21 5. The discovery of \$500 or more in counterfeit currency and/or chips in a 24-hour
22 period;

23 6. The discovery of \$500 or more in counterfeit currency and/or chips cumulatively
24 linked to a specific individual or group of individuals over a two-week period;

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/3/2023

Page 4 of 14

DRAFT

DRAFT

1 7. Clauses 1, 4, or 5, regardless of the dollar amounts, if reasonably suspected
2 of a cardroom category licensee, local work permittee, or TPPPS category
3 licensee; or,

4 8. The immediate evacuation of the gambling establishment, such as Penal
5 Code Section 148.1 (false bomb threat), or any successor provision.

6 (C) Any incident involving:

7 1. The forfeiture of any unredeemed jackpots or prizes won pursuant to subparagraph
8 (C) of paragraph (4) of subsection (a) of Section 12463 or paragraph (5) of subsection (a)
9 of Section 12464;

10 2. The arrest of any associated cardroom endorsee licensee, cardroom employee type
11 licensee, or holder of a local work permit; or,

12 3. The approval with conditions, denial, suspension, or revocation of a license,
13 permit, or authorization to work in a gambling establishment by any city, county, or
14 city and county regarding any associated cardroom endorsee licensee, cardroom
15 employee type licensee, or holder of a local work permit. An incident report does not
16 need to be filed for a denial unless that denial is for a reason that is substantially similar
17 to either subdivision (a) or (b) of Business and Professions Code section 19857 or any
18 subdivision of Business and Professions Code section 19859.

19 (D) For subparagraphs (A) and (B), the cardroom business licensee need only submit
20 an “Incident Report Form,” CGCC-CH7-08, if the suspected violation or incident
21 occurred within the gambling establishment or in any adjacent space owned, managed,
22 controlled, rented, or utilized by the cardroom business licensee for or in connection with
23 the gambling operation. This includes, but is not limited to parking lots, restrooms,
24 restaurants, or hotels. For purposes of this paragraph, the cardroom business licensee is
25 not required to submit an incident report for an incident that occurs in a part of the
26 gambling establishment or adjacent space owned, managed, or rented by the cardroom

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

DRAFT

Revision Date: 2/10/2023

Page 5 of 14

DRAFT

1 business licensee if that space is solely utilized by the TPPPS business licensee under the
2 terms of the TPPPS contract.

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

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

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

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

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

DRAFT

Revision Date: 2/3/2023

Page 6 of 14

DRAFT

1 substances), section 4022 of the Business & Professions Code (illegal possession or
2 distribution of dangerous drugs);

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

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

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

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

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

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

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

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

20 ~~(L) or any violation of the following Any incident that could be a reasonably~~
21 ~~suspected violation of any of the following Penal Code sections: 148.10 (resisting a peace~~
22 ~~officer resulting in death or serious bodily injury to peace officer), 186.10 (money~~
23 ~~laundering), 211 (robbery), 220 (assault with intent to commit mayhem, rape, sodomy,~~
24 ~~oral copulation or other specified offense), 236.1 (human trafficking), 243.4 (sexual~~
25 ~~battery), 245 (assault with deadly weapon or force likely to produce great bodily injury),~~
26 ~~261 (rape), 266h (pimping and pimping a minor), 266i (pandering and pandering a~~
27 ~~minor), 286 (criminal sodomy), 287 (criminal oral copulation), 288 (lewd and lascivious~~
28 ~~acts on a child), 289 (forcible acts of sexual penetration), 347 (poisoning food or drink);~~

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/10/2023

Page 7 of 14

DRAFT

DRAFT

~~422 (criminal threats), 459 (burglary), 470 (forgery, signatures or seals), 470b (display or possession of forged driver's license or identification card), 476 (forgery, fictitious or altered bills, notes or checks fraud), 487 (grand theft), 488 (petty theft), 503 (embezzlement), 518 (extortion), 641.3 (commercial bribery), 648 (counterfeit currency), 653.22 (loiter for prostitution), 653.23 (supervising or otherwise aiding a prostitute pimping), or 647(b) (prostitution), or any successor provisions.~~

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

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

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

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

1. Full name.

2. Address.

3. Date of birth.

4. Driver license or identification card number.

(C) Law enforcement report number.

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

(5)(4)(5)

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

~~(6) Within five business days of the forfeiture of any unredeemed jackpots or prizes won pursuant to subparagraph (C) of paragraph (4) of subsection (a) of Section 12463 or~~

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/3/2023

Page 8 of 14

DRAFT

DRAFT

~~paragraph (5) of subsection (a) of Section 12464, the cardroom business licensee must submit an “Incident Report Form,” CGCC CH7-08, to provide notification to the Bureau of said forfeiture.~~

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

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

...

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

§ 12396. Surveillance.

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

...

(7)(A) Unless otherwise requested by the Bureau, all recordings must be retained for a minimum of seven complete days of operation, except that recordings that are determined by the Bureau or a law enforcement agency to be of evidentiary value must be retained for a period specified in writing by the determining agency. Recordings of any criminal offense subject to reporting pursuant to paragraph ~~(4)(3)~~ of subsection (a) of Section 12395 must be retained indefinitely, or until the Bureau authorizes their disposal.

Additions in blue underline; deletions in ~~red strikeout~~
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/10/2023

Page 9 of 14

DRAFT

DRAFT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

...

Note: Authority cited: Sections 19840, 19841 and 19924, Business and Professions Code.
Reference: Sections 19827, 19841, 19922 and 19924, Business and Professions Code.

///

Additions in blue underline; deletions in ~~red strikeout~~ ***DRAFT***
Modified text shown in double underline; deletions shown in ~~double strikeout~~

Revision Date: 2/3/2023

Page 10 of 14

APPENDIX A

Incident Report Form

CGCC-CH7-08 (New 08/22)
Page 1 of 3

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)(4)(~~8~~), 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)(4)(C)3-(~~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)(4)(C)1-(~~6~~), only the above referenced sections are required.
- When reporting an arrest as required in Title 4, CCR, Sections 12282(c) or 12395(a)(4)(C)2-(~~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: ADDITIONAL RELATED DOCUMENTATION

PLEASE LIST ANY ADDITIONAL DOCUMENTATION THAT MAY EXIST IN CONNECTION WITH THE REASONABLY SUSPECTED VIOLATION OR INCIDENT. INCLUDING ADDITIONAL INFORMATION WHEN SUBMITTING THE INCIDENT REPORT IS VOLUNTARY. HOWEVER, FAILURE TO PROVIDE ANY SUPPORTING DOCUMENTATION MAY DELAY THE INVESTIGATION OF THE INCIDENT.

MARK THE BOX NEXT TO EACH ITEM TO INDICATE THAT IT EXISTS.

INTERNAL SECURITY REPORT

SECURITY FOOTAGE

OTHER (PLEASE SPECIFY):

SECTION 9: 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