

ECONOMIC IMPACT STATEMENT

DEPARTMENT NAME Gambling Control Commission	CONTACT PERSON Josh Rosenstein	EMAIL ADDRESS jrostein@cgcc.ca.gov	TELEPHONE NUMBER 9162745823
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 Update to Annual Fees			NOTICE FILE NUMBER Z

A. ESTIMATED PRIVATE SECTOR COST IMPACTS *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- ☒ a. Impacts business and/or employees
- ☐ e. Imposes reporting requirements
- ☒ b. Impacts small businesses
- ☐ f. Imposes prescriptive instead of performance
- ☐ c. Impacts jobs or occupations
- ☐ g. Impacts individuals
- ☐ d. Impacts California competitiveness
- ☐ h. None of the above (Explain below):

If any box in Items 1 a through g is checked, complete this Economic Impact Statement.
If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.

2. The Gambling Control Commission estimates that the economic impact of this regulation (which includes the fiscal impact) is:
(Agency/Department)

- ☒ Below \$10 million
- ☐ Between \$10 and \$25 million
- ☐ Between \$25 and \$50 million
- ☐ Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: 108
Describe the types of businesses (Include nonprofits): Cardrooms, Third-Party Providers of Prop. Player Services
Enter the number or percentage of total businesses impacted that are small businesses: 89% and 85%

4. Enter the number of businesses that will be created: 0 eliminated: 0
Explain: This regulation is an update to the annual fee amounts charged to cardrooms and TPPPS

5. Indicate the geographic extent of impacts: ☒ Statewide
☐ Local or regional (List areas):

6. Enter the number of jobs created: and eliminated:
Describe the types of jobs or occupations impacted: N/A

7. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here? ☐ YES ☒ NO

If YES, explain briefly:

ECONOMIC IMPACT STATEMENT (CONTINUED)

B. ESTIMATED COSTS *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ see addendum
- a. Initial costs for a small business: \$ see addendum Annual ongoing costs: \$ see addendum Years: annually
- b. Initial costs for a typical business: \$ see addendum Annual ongoing costs: \$ see addendum Years: annually
- c. Initial costs for an individual: \$ N/A Annual ongoing costs: \$ N/A Years: N/A
- d. Describe other economic costs that may occur: N/A
2. If multiple industries are impacted, enter the share of total costs for each industry: see addendum
3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. N/A
Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted. \$ _____
4. Will this regulation directly impact housing costs? ☐ YES ☒ NO
If YES, enter the annual dollar cost per housing unit: \$ _____
Number of units: _____
5. Are there comparable Federal regulations? ☐ YES ☒ NO
Explain the need for State regulation given the existence or absence of Federal regulations: _____
Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ _____

C. ESTIMATED BENEFITS *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: The regulation updates the currently charged annual fee amounts based on more recent cost information from the Commission and the Department of Justice in order to provide more accurate annual fees.
2. Are the benefits the result of: ☒ specific statutory requirements, or ☐ goals developed by the agency based on broad statutory authority?
Explain: Statute directs the Commission to collect those fees necessary to pay its costs.
3. What are the total statewide benefits from this regulation over its lifetime? \$ N/A
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: N/A

D. ALTERNATIVES TO THE REGULATION *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: see addendum

ECONOMIC AND FISCAL IMPACT STATEMENT (REGULATIONS AND ORDERS)

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT (CONTINUED)

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation:	Benefit: \$	<u>357,877</u>	Cost: \$	<u>399,524</u>
Alternative 1:	Benefit: \$	<u>357,877</u>	Cost: \$	<u>399,524</u>
Alternative 2:	Benefit: \$		Cost: \$	

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: **see addendum**

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? ☐ YES ☒ NO

Explain: N/A - This regulation does not mandate the use of specific technologies or equipment,
nor does it prescribe specific actions or procedures.

E. MAJOR REGULATIONS *Include calculations and assumptions in the rulemaking record.*

California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.

1. Will the estimated costs of this regulation to California business enterprises **exceed \$10 million**? ☐ YES ☒ NO

If YES, complete E2. and E3
If NO, skip to E4

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1:

Alternative 2:

(Attach additional pages for other alternatives)

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ Cost-effectiveness ratio: \$

Alternative 1: Total Cost \$ Cost-effectiveness ratio: \$

Alternative 2: Total Cost \$ Cost-effectiveness ratio: \$

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

☐ YES ☒ NO

If YES, agencies are required to submit a [Standardized Regulatory Impact Assessment \(SRIA\)](#) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.

5. Briefly describe the following:

The increase or decrease of investment in the State: This regulation adjusts the annual fees of cardrooms and TPPPS to recover associated regulatory costs.

The incentive for innovation in products, materials or processes: N/A

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: This regulation will

ensure the regulatory agencies have the funds necessary to fulfill statutory requirements.

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

- ☐ 1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

- ☐ a. Funding provided in _____

Budget Act of _____ or Chapter _____, Statutes of _____

- ☐ b. Funding will be requested in the Governor's Budget Act of _____

Fiscal Year: _____

- ☐ 2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

Check reason(s) this regulation is not reimbursable and provide the appropriate information:

- ☐ a. Implements the Federal mandate contained in _____

- ☐ b. Implements the court mandate set forth by the _____ Court.

Case of: _____ vs. _____

- ☐ c. Implements a mandate of the people of this State expressed in their approval of Proposition No. _____

Date of Election: _____

- ☐ d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: _____

- ☐ e. Will be fully financed from the fees, revenue, etc. from: _____

Authorized by Section: _____ of the _____ Code;

- ☐ f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

- ☐ g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in _____

- ☐ 3. Annual Savings. (approximate)

\$ _____

- ☐ 4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

- ☒ 5. No fiscal impact exists. This regulation does not affect any local entity or program.

- ☐ 6. Other. Explain _____

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT (CONTINUED)

B. FISCAL EFFECT ON STATE GOVERNMENT *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

It is anticipated that State agencies will:

☐ a. Absorb these additional costs within their existing budgets and resources.

☐ b. Increase the currently authorized budget level for the _____ Fiscal Year

☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

☐ 3. No fiscal impact exists. This regulation does not affect any State agency or program.

☒ 4. Other. Explain A total increase in collection of approximately \$41,647 per year, based on
comparison to 2024 annual fees that were invoiced in October 2023.

C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

☒ 3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

☐ 4. Other. Explain _____

FISCAL OFFICER SIGNATURE

DocuSigned by:



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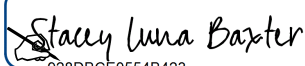
DATE

11/15/2023

The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

AGENCY SECRETARY

DocuSigned by:



028DBCE06648423...

DATE

11/15/2023

Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER

DATE



FORM 399 ADDENDUM

California Gambling Control Commission Update to Annual Fees CGCC-GCA-2023-03-R

ECONOMIC IMPACT STATEMENT

B. Estimated Costs (Pg. 2)

These estimates were calculated based on the difference between 2024 annual fees invoiced to cardroom business licensees and TPPPS business licensees in October 2023 based on the annual fee amounts in the current regulations, compared to the 2024 annual fees that would have been invoiced to cardroom business licensees and TPPPS business licensees based on the proposed amendments to the annual fee amounts.

1. What are the total statewide dollar costs that businesses may incur to comply with this regulation over its lifetime? Additional statewide costs of approximately \$399,524 for cardrooms and statewide savings of approximately \$357,877 for TPPPS, for a combined statewide cost increase of approximately \$41,647 per year.

a. What are the initial costs and annual ongoing costs for a small business? Statewide costs of approximately \$169,886 for small business cardrooms and a savings of approximately \$45,406 for small business TPPPS, for a total statewide cost to small businesses of approximately \$124,479 per year.

This represents an average annual cost to individual small business cardrooms of approximately \$2,327, and an average annual savings to individual small business TPPPS of approximately \$2,064.

b. What are the initial costs and annual ongoing costs for a typical business? Statewide costs of approximately \$229,638 for typical (non-small business) cardrooms and a savings of approximately \$312,471 for typical (non-small business) TPPPS, for a total statewide savings to typical (non-small business) businesses of approximately \$82,832 per year.

This represents an average annual cost to individual typical (non-small business) cardrooms of approximately \$25,515, and an average annual savings to individual typical (non-small business) TPPPS of approximately \$78,118.

D. Alternatives to the Regulation (Pg. 2-3)

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not. The Commission considered an alternate annual fee methodology proposed by an industry stakeholder. The alternate methodology attributed the amounts of each Cost Pool to active and non-operational cardrooms and TPPPS based on the authorized number of tables per cardroom and the number of employees per TPPPS. Additionally, the alternate methodology only attributed Cost Pools 3-6 to active cardrooms and TPPPS. For more details on the alternative considered and the reasons it was not utilized, please see the Initial Statement of Reasons.

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives. The indicated benefit represents statewide savings to TPPPS businesses. The indicated cost represents increased statewide costs to cardrooms. The total statewide costs and benefits do not differ between the proposed regulation and the alternative considered because the alternative simply provides an alternate cost allocation methodology to recover the same necessary amount of total statewide costs.

Please also see the following attachments:

- Attachment 1 – Cost Pools, Summaries, and Cost Calculations for Proposed Regulations
- Attachment 2 – Cost Pool Breakdown (used for both the Proposed Regulations and the Alternative Considered)
- Attachment 3 – Cost Pools, Summaries, and Cost Calculations for Alternative Considered

California Gambling Commission
Update to Annual Fees (CGCC-GCA-2023-03-R)
Attachment 1
Cost Pools, Summaries and Cost Calculations - **PROPOSED REGULATIONS**

Cost Pool	Cost Pool Name	Cost Pool Descriptions	Total Amount to Allocate	Cardroom #	TPPPS #	Cardroom %	TPPPS %	Cardroom \$	TPPPS \$	Total
Cost Pool 1	Even Across All	Even cost to Cardroom and TPPPS, Active and Non-Op	\$7,069,105	82	26	50%	50%	\$3,534,553	\$3,534,553	\$7,069,105
Cost Pool 2	Application Split	Workload based on average # of applications	\$2,000,747	1,058	4,015	21%	79%	\$417,266	\$1,583,481	\$2,000,747
Cost Pool 3	Entity Split	Workload based on # of Entities	\$8,472,197	82	26	76%	24%	\$6,432,594	\$2,039,603	\$8,472,197
Cost Pool 4	Commission Actions	Workload based on # of Commission Actions	\$1,313,951	995	1,964	34%	66%	\$441,832	\$872,119	\$1,313,951
Cost Pool 5	Cardroom Only Costs	Allocate to Active and Non-Op evenly	\$1,579,537	1	0	100%	0%	\$1,579,537	\$0	\$1,579,537
Cost Pool 6	TPPPS Only Costs	Allocate to Active and Non-Op evenly	\$1,442,430	0	1	0%	100%	\$0	\$1,442,430	\$1,442,430
TOTAL			\$21,877,967					\$12,405,782	\$9,472,185	\$21,877,967

Entity Type	Cost Pool 1 Even Across All	Cost Pool 2 Application Split	Cost Pool 3 Entity Split	Cost Pool 4 Commission Actions	Cost Pool 5 Cardroom Only Costs	Cost Pool 6 TPPPS Only Costs	TOTAL All Cost Pools
Cardroom	\$3,534,553	\$417,266	\$6,432,594	\$441,832	\$1,579,537	\$0	\$12,405,782
TPPPS	\$3,534,553	\$1,583,481	\$2,039,603	\$872,119	\$0	\$1,442,430	\$9,472,185
TOTAL	\$7,069,105	\$2,000,747	\$8,472,197	\$1,313,951	\$1,579,537	\$1,442,430	\$21,877,967

Entity Type	3-Year Avg Commission Actions (Cost Pool 4)	Total Annual Fee Cost per Industry (Sum of Cost Pools)	Base Cost per Active Entity Under \$1.5M in Avg. Revenue	Base Cost for Non-Ops (1/2 Base Cost)
Cardroom	995	\$12,405,782	\$12,468	\$6,234
TPPPS	1,964	\$9,472,185	\$4,823	\$2,411
TOTAL	2,959	\$21,877,967		

Entity Type	Total Amount of Annual Fee Owed	Amount to be Paid by Non-Ops	Amount to be Paid by < \$1.5M Entities	Remaining Amount to be Paid by > \$1.5M Entities (A-B- C)	Total Avg Gross Gaming Revenue of Entities w/\$1.5M or more in Revenue (does not include Inactive, Non-Op or <\$1.5M Entities)	Percentage of GR to be paid by Entities w/\$1.5M or more in 3-Yr Average GR
Cardroom	\$12,405,782	\$168,320	\$162,086	\$12,075,376	\$909,202,285	1.33%
TPPPS	\$9,472,185	\$14,469	\$24,115	\$9,433,602	\$636,201,788	1.48%
TOTAL	\$21,877,967	\$182,788	\$186,200	\$21,508,979	\$1,545,404,072	

Industry	Total Number of Businesses	Small Businesses	Small Business Ratio	Statewide Impact (Cost or Savings) Typical Businesses	Statewide Impact (Cost or Savings) Small Businesses	Statewide Total Impact by Industry	Impact per Typical Business	Impact per Small Business
Cardroom	82	73	89.02%	\$229,638	\$169,886	\$399,524	\$25,515.38	\$2,327.20
TPPPS	26	22	84.62%	-\$312,471	-\$45,406	-\$357,877	-\$78,117.69	-\$2,063.93
TOTAL				-\$82,832	\$124,479	\$41,647		

PLEASE NOTE: CALCULATION OF FIGURES MAY BE OFF DUE TO ROUNDING

BY DEPARTMENT (SALARIES, OVERHEAD, ADMINISTRATIVE COSTS)

	Cost Pool 1 Even Across All					Cost Pool 2 Application Split					Cost Pool 3 Entry Split					Cost Pool 4 Commission Actions					Cost Pool 5 Cardroom Only Costs					Cost Pool 6 TPPPS Only Costs					Total Hours	Total FBRH *	Total Indirect Support	Total Specific & Unique Materials & Supplies	Total
	Hours	FBRH *	Indirect Support	Specific & Unique Materials & Supplies	Total	Hours	FBRH *	Indirect Support	Specific & Unique Materials & Supplies	Total	Hours	FBRH *	Indirect Support	Specific & Unique Materials & Supplies	Total	Hours	FBRH *	Indirect Support	Specific & Unique Materials & Supplies	Total	Hours	FBRH *	Indirect Support	Specific & Unique Materials & Supplies	Total										
California Gambling Control Commission																																			
(Executive) Chairperson (Commissioner)															\$137,048																				
(Executive) Executive Director	619.37	\$156			\$96,806										\$163																				
(Executive) Member (Commissioner)															\$9,800																				
(Executive) Staff Services Manager I (Specialist)	855.42	\$91			\$77,050										\$531,309																				
(Leg. & Reg.) Deputy Director, Legislation and Regulatory Affairs	687.83	\$128			\$87,786										\$1,086																				
(Leg. & Reg.) Deputy Director, Legislation and Regulatory Affairs (CEA - Level A)																																			
(Leg. & Reg.) Staff Services Manager I (Specialist)	1,944.94	\$88			\$171,079										\$88																				
Legal Attorney III	1,068.51	\$146			\$156,236										\$17,337																				
Legal Chief Counsel (CEA - Level C)	371.00	\$168			\$62,208										\$16,878																				
(Legal) Senior Legal Analyst	184.83	\$81			\$14,932										\$4,211																				
(Licensing) Associate Governmental Program Analyst	1,404.32	\$75			\$104,804										\$75																				
(Licensing) Deputy Director, Licensing (CEA - Level A)	369.35	\$115			\$42,031										\$23,541																				
(Licensing) Office Technician (C)	302.67	\$39			\$11,704										\$11,446																				
(Licensing) Staff Services Manager I	881.43	\$74			\$64,829										\$74																				
(OSD) Associate Budget Analyst	764.63	\$61			\$46,676										\$20,109																				
(OSD) Associate Governmental Program Analyst	1,558.46	\$77			\$119,848										\$77																				
(OSD) Associate Management Auditor	28.67	\$81			\$2,309																														
(OSD) Deputy Director (CEA - Level A)	740.41	\$116			\$86,080																														
(OSD) Information Technology Manager I	884.50	\$138			\$113,369																														
(OSD) Information Technology Specialist I	2,646.87	\$101			\$268,018																														
(OSD) Office Technician	888.00	\$47			\$41,693																														
(OSD) Staff Mgmt Auditor	550.56	\$94			\$51,478																														
(OSD) Staff Services Manager I (Specialist)	887.83	\$91			\$80,592																														
Cardroom Operating Expenditures				\$680,000	\$680,000																														
Licensing Temp Help (Seasonal/Clerk)															\$11,542																				
OSD Temp Help (IT Associate)															\$15,310																				
OSD Temp Help (IT Specialist I)				\$34,523	\$34,523																														
Temp Help Reconciliation				(\$29,980)	(\$29,980)																														
Temp Help Reconciliation Savings				(\$249,647)	(\$249,647)																														
California Gambling Control Commission Total	17,634.60	\$1,955			\$2,035,293										\$5,864.92	\$1,685																			
Bureau of Gambling Control																																			
Admin Support - Temp Help Season Clerk				\$13,082	\$13,082																														
Assistant Bureau Chief																																			
Associate Governmental Program Analyst	2,717.28	\$68			\$184,001																														
C&F North Sac Temp Help (RA Special Agent)																																			
C.F.A.																																			
Cardroom Operating Expenditures				\$2,469,000	\$2,469,000																														
Cardroom Oversight																																			
Cardroom Temp Help Reconciliation																																			
Crime Analyst I/II																																			
Deputy Attorney General III																																			
Deputy Attorney General IV																																			
Deputy Atty Gen IV Exec Unit																																			
Executive Assistant																																			
Field Representative (DO)																																			
GCFC Savings Allotment																																			
IGIS Expense																																			
IGIS GCFC Allotment Savings																																			
Information Technology Specialist I																																			
Investigative Auditor I/II/III (SPE/C) Auditor I	1,811.52	\$99			\$179,726																														
Investigative Auditor IV Supervisor/DO																																			
Legal Secretary Exec Unit				\$54,072	\$54,072																														
Licensing Intake - Temp Help Student Asst.																																			
Licensing Game Review - Temp Help Student Asst.																																			
Licensing Intake - Temp Help Student Asst.																																			
Office of the Chief expense				\$636,000	\$636,000																														
Office of the Chief GCFC Allotment Savings				(\$24,031)	(\$24,031)																														
Office Technician																																			
Program Technician II																																			
Prorata and Pension Costs				\$2,470,000	\$2,470,000																														
Senior Management Auditor																																			
Special Agent (includes Trainee)																																			
Special Agent in Charge																																			
Special Agent Supervisor																																			
Staff Services Analyst																																			
Staff Services Manager I																																			
Staff Services Manager II/Supervisor																																			
Supervising Management Auditor																																			
Bureau of Gambling Control Total	7,296.19	\$336	\$3,081,969	\$1,436,591	\$5,032,712	27,222.23	\$395			\$56,282	\$2,000,747	\$1,689			\$585,822	\$3,472,197	\$5,864.92	\$1,685																	
Grand Total	24,840.79	\$2,292	\$3,081,969	\$1,771,567	\$7,069,105	27,222.23	\$395			\$56,282	\$2,000,747	\$1,689			\$585,822	\$3,472,197	\$5,864.92	\$1,685																	

* FBHR - Fully Burdened Hourly Rate is the full hourly rate of an employee for the actual hours worked. This includes salaries and benefits.

California Gambling Commission
Update to Annual Fees (CGCC-GCA-2023-03-R)
Attachment 3
Cost Pools, Summaries and Cost Calculations - **ALTERNATIVE CONSIDERED**

Cost Pool	Cost Pool Name	Cost Pool Descriptions	Total Amount to Allocate	Cardroom #	TPPPS #	Cardroom %	TPPPS %	Cardroom \$	TPPPS \$	Total
Cost Pool 1	Even Across All	Even cost to Cardroom and TPPPS, Active and Non-Op	\$7,069,105	82	26	50%	50%	\$3,534,553	\$3,534,553	\$7,069,105
Cost Pool 2	Application Split	Workload based on average # of applications	\$2,000,747	1,058	4,015	21%	79%	\$417,266	\$1,583,481	\$2,000,747
Cost Pool 3	Entity Split	Workload based on # of Entities	\$8,472,197	82	26	76%	24%	\$6,432,594	\$2,039,603	\$8,472,197
Cost Pool 4	Commission Actions	Workload based on # of Commission Actions	\$1,313,951	995	1,964	34%	66%	\$441,832	\$872,119	\$1,313,951
Cost Pool 5	Cardroom Only Costs	Allocate to Active and Non-Op evenly	\$1,579,537	1	0	100%	0%	\$1,579,537	\$0	\$1,579,537
Cost Pool 6	TPPPS Only Costs	Allocate to Active and Non-Op evenly	\$1,442,430	0	1	0%	100%	\$0	\$1,442,430	\$1,442,430
TOTAL			\$21,877,967					\$12,405,782	\$9,472,185	\$21,877,967

Entity Type	Cost Pool 1 Even Across All	Cost Pool 2 Application Split	Cost Pool 3 Entity Split	Cost Pool 4 Commission Actions	Cost Pool 5 Cardroom Only Costs	Cost Pool 6 TPPPS Only Costs	TOTAL All Cost Pools
Cardroom	\$3,534,553	\$417,266	\$6,432,594	\$441,832	\$1,579,537	\$0	\$12,405,782
TPPPS	\$3,534,553	\$1,583,481	\$2,039,603	\$872,119	\$0	\$1,442,430	\$9,472,185
TOTAL	\$7,069,105	\$2,000,747	\$8,472,197	\$1,313,951	\$1,579,537	\$1,442,430	\$21,877,967

Entity Type	Number Active	Number Non-Op	Total Authorized Tables (All)	Total Authorized Tables (Active)	Total Number Licensed Employees (All)	Total Number Licensed Employees (Active)
Cardroom	55	27	2,202	2,075	N/A	N/A
TPPPS	20	6	N/A	N/A	3,911	3,838

Entity Type	Cost Pools 1 and 2 % Attributable to Active Licensees	Cost Pools 1 and 2 % Attributable to Non-Op Licensees	Cost Pool 1 \$ Attributable to Active Licensees	Cost Pool 1 \$ Attributable to Non-Op Licensees	Cost Pool 2 \$ Attributable to Active Licensees	Cost Pool 2 \$ Attributable to Non-Op Licensees	Cost Pool 3 \$ Attributable to Active Licensees	Cost Pool 3 \$ Attributable to Non-Op Licensees	Cost Pool 4 \$ Attributable to Active Licensees	Cost Pool 4 \$ Attributable to Non-Op Licensees	Cost Pool 5 \$ Attributable to Active Licensees	Cost Pool 5 \$ Attributable to Non-Op Licensees	Cost Pool 6 \$ Attributable to Active Licensees	Cost Pool 6 \$ Attributable to Non-Op Licensees
Cardroom	94.23%	5.77%	\$3,330,698	\$203,855	\$393,200	\$24,066	\$6,432,594	\$0	\$441,832	\$0	\$1,579,537	\$0	\$0	\$0
TPPPS	98.13%	1.87%	\$3,468,579	\$65,973	\$1,553,925	\$29,556	\$2,039,603	\$0	\$872,119	\$0	\$0	\$0	\$1,442,430	\$0
TOTAL			\$7,069,105		\$2,000,747		\$8,472,197		\$1,313,951		\$1,579,537		\$1,442,430	

Entity Type	Total Amount of Annual Fee Owed	Amount to be Paid by Non-Ops	Per-Table Cost	Per-Employee Cost
Cardroom	\$12,405,782	\$8,442	\$5,869	N/A
TPPPS	\$9,472,185	\$15,922	N/A	\$2,443
TOTAL	\$21,877,967	\$323,450	\$12,177,861	\$9,376,656

Small Business Comparison to Proposed Regulations:

Industry	Total Number of Businesses	Small Businesses	Small Business Ratio	Statewide Impact (Cost or Savings) Typical Businesses	Statewide Impact (Cost or Savings) Small Businesses	Statewide Total Impact by Industry	Impact per Typical Business	Impact per Small Business
Cardroom	82	73	89.02%	-\$527,902	\$527,902	\$0	-\$58,655.78	\$7,231.53
TPPPS	26	22	84.62%	-\$1,425,674	\$1,425,674	\$0	-\$356,418.50	\$64,803.36
			TOTAL	-\$1,953,576	\$1,953,576	\$0		

Small Business Comparison to Current Regulations:

Industry	Total Number of Businesses	Small Businesses	Small Business Ratio	Statewide Impact (Cost or Savings) Typical Businesses	Statewide Impact (Cost or Savings) Small Businesses	Statewide Total Impact by Industry	Impact per Typical Business	Impact per Small Business
Cardroom	82	73	89.02%	-\$298,264	\$697,788	\$399,524	-\$33,140.44	\$9,558.74
TPPPS	26	22	84.62%	-\$1,738,145	\$1,380,268	-\$357,877	-\$434,536.25	\$62,739.45
			TOTAL	-\$2,036,409	\$2,078,056	\$41,647		

PLEASE NOTE: CALCULATION OF FIGURES MAY BE OFF DUE TO ROUNDING