

California Gambling Control Commission
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Hiram Johnson State Office Building
455 Golden Gate Ave, Room 13536
San Francisco, CA 94102
Wednesday, June 25 2003

MINUTES OF JUNE 25, 2003
COMMISSION MEETING
AS PREPARED BY STAFF

OPEN SESSION

Acting Chairman Smith called the meeting of June 25, 2003, to order at 1:35 p.m. with Commissioners Palmer and Sasaki present.

Staff Participating: Gary Qualset, Deputy Director, Licensing and Compliance Division; Peter Melnicoe, Chief Counsel; and Herb Bolz, Senior Legal Counsel and Regulations Coordinator.

DECISION ITEMS

1. Request by United Auburn Indian Community Tribal Gaming Agency for Memorandum of Agreement.

Chief Counsel Melnicoe presented to the Commission a proposed Memorandum of Agreement requested by the United Auburn Indian Community for application of CGCC-2 registration procedures to holders of the participation interests that would have been included in GCCC-2 Revision No. 1, which was rejected by the Association of Tribal and State Regulators. The Chief Counsel noted for the record a written communication from the Governor's office recommending that the Commission consider approval.

Chief Counsel Melnicoe recommended that the Commission approve the Memorandum of Agreement with amendments included as follows: (1) amend page II, section 4, to add the word Compact following the word under, and to replace the word and with of; and (2) amend page IV section h, to replace the words "participation protocol" with "participation agreement," and other minor typographical corrections. Chief Counsel Melnicoe presented staff's recommendation for a proposed motion for action on Item 1 as follows:

Pursuant to the recommendation that was sent by the Office of the Governor, the proposed Memorandum of Agreement, as submitted by staff with the amendments previously noted, is hereby approved by the Commission for submission to and signature by representatives of the United Auburn Indian Community Gaming Agency.

Upon motion of Commissioner Sasaki, seconded by Acting Chairman Smith and unanimously carried with Commissioners Palmer, Sasaki and Smith voting yes, the Commission adopted the motion.

A copy of the Memorandum of Agreement as adopted by the Commission is incorporated into the minutes as Attachment A.

A copy of the June 5, 2002, recommendation from the Office of the Governor is incorporated into the minutes as Attachment B.

Jane Zerbi, Attorney, Dickstein & Merin, on behalf on the United Auburn Indian Community, commented on the Memorandum of Agreement.

2. Staff Announcement of the Selection of Sjoberg Evashenk Consulting to Audit the Fund Condition Statement for the Indian Gaming Revenue Sharing Trust Fund.

Deputy Director Qualset announced the selection of Sjoberg Evashenk Consulting to audit the fund condition statement for the Indian Gaming Revenue Sharing Trust Fund for the period ending June 30, 2003.

3. Future Agenda Items: Commission Discussion.

Commissioner Palmer moved to set an agenda item pertaining to the interpretation and application of Business and Professions Code section 19819, including the meaning of an "official action of the Commission" and the exercise of any of the Commission's "duties, powers or functions." The motion failed for lack of a second.

Staff was directed to prepare a memorandum on the subject of Business and Professions Code section 19819, as it applied in response to additional questions that may be submitted by individual Commissioners. Discussion among the Commissioners took place regarding delegation and the mode of exercise of the duties, powers and functions of the Commission. Acting Chairman Smith pointed out that the matters raised by Commissioner Palmer were internal management matters and not subject of Commission hearing.

Commissioner Palmer moved to establish an agenda item to discuss the Commission's protocol for seeking legal opinions from the Attorney General. The motion failed for lack of a second.

Commissioner Palmer stated that although several opinions were requested of the Attorney General without his knowledge, his recent request had been rejected by one of the other Commissioners. Both Acting Chairman Smith and Commissioner Sasaki noted that staff had previously prepared a memorandum concerning legal opinion requests, and a Commission protocol for seeking legal opinions from the Attorney General already existed.

Commissioner Palmer moved to set an agenda item on the Commission's regulatory objectives and priorities for the rulemaking process. The motion failed for lack of a second.

Commissioner Palmer stated that as a result of what he perceived as the changing priorities and failed attempts at implementing uniform regulations as called for in the Tribal-State Compacts, a discussion of this was in order.

Commissioner Sasaki stated that both she and legal staff were easily attainable and available to address any concerns regarding the Commissions Rulemaking priorities and regulation process.

Acting Chairman Smith indicated that regulation priorities of the Commission were presented and discussed at a prior Commission meeting and have gone through the accepted process.

Senior Staff Counsel Herb Bolz stated that the 2003 Rulemaking Calendar, required by the Administrative Procedure Act, had, after discussion during a previous Commission meeting, been filed with the Office of Administrative Law by staff pursuant to a resolution delegating authority for filing.

PUBLIC COMMENT

There were no comments from the public during this portion of the meeting.

ADJOURNMENT

Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Commissioners Palmer, Sasaki and Smith voting yes, the Commission adjourned the meeting at 2:15 p.m.