

California Gambling Control Commission
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Thursday, July 1, 2004

MINUTES OF July 1, 2004
TELECONFERENCED COMMISSION MEETING

OPEN SESSION

Chairman Shelton called the meeting of July 1, 2004, to order at 11:31 a.m., with Commissioners Palmer and Smith present. Commissioner Sasaki participated in the meeting by conference call.

Staff Participating: Herb Bolz, Senior Legal Counsel and Regulations Coordinator.

DECISION ITEMS

Emergency Readoption and Amendment of Proposition Player and Gambling Business Regulations (current Title 4 California Code of Regulations section 12200-12232).

Senior Legal Counsel Herb Bolz presented for the Commission's consideration the Division of Gambling Control's forms incorporated by reference into emergency regulations: Proposition Player and Gambling Business Regulations. Commissioner Sasaki moved to approve the incorporation by reference of Division of Gambling Control forms 030, 031, 032, 033, 034A, 034B, and 035 into the proposition player regulation approved on June 22; Commissioner Palmer seconded the motion which unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes.

Senior Legal Counsel Herb Bolz presented proposed amendments to the emergency regulation indicating that the amendments being proposed were at the request of the Division of Gambling Control and the Office of Administrative Law.

Sam Dudkiewiez, Deputy Director, Division of Gambling Control, presented the Division of Gambling Control's requested amendment to the emergency regulations Section 12200.7 (b)(20) concerning proposition player contract criteria for tipping. Mr.

Dudkiewiez indicated that the requested amendment was based on input from the industry at the previous Commission meeting.

David Fried, Attorney representing California Grand Casino and Oaks Card Club, thanked the Division of Gambling Control for working with the industry and coming up with a clearer definition.

Senior Legal Counsel Bolz provided an oral outline of the proposed amendments to the emergency regulations that were requested by the Office of Administrative Law.

Commissioner Smith moved to adopt the proposed amendments to the emergency regulations: Proposition Player and Gambling Business Regulations. Commissioner Palmer seconded the motion.

Sam Dudkiewiez, Deputy Director, Division of Gambling Control, presented the Division's request to amend emergency regulation Section 12200.20 concerning annual fees indicating the Division's position is that the emergency regulation as proposed creates an unfair assessment of fees.

Deputy Director Qualset recommended that Commission staff work with the Division to develop language to be included in the permanent regulations.

Herb Bolz recommended that Commission and Division staff draft alternate language to be brought back to the Commission for consideration.

Trish LeBlanc, Certified Players, commented on the emergency regulations indicating that the fees are excessive and requested an 80% reduction of the fees.

David Tierney, Network M, commented on the public not having the opportunity to review the proposed emergency regulations prior to the Commission's acting on the emergency regulations. Mr. Tierney also commented on the annual fees indicating that the fees are excessive.

Chairman Shelton called for a vote on the standing motion to approve for submission to the Office of Administrative Law the proposition player emergency regulations as revised on June 30, 2004, that was made by Commissioner Smith, seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes. A copy of the amended emergency regulations: Proposition Player and Gambling Business Regulations and the Division of Gambling Control's forms that are incorporated into the emergency regulations by reference, are incorporated into the minutes as Attachment A and

Attachment B respectively.

Commissioner Sasaki moved to return to the vote in which she abstained in the meeting of June 22 (the vote concerning an amended version of variation B of alternative three). The motion failed to carry for lack of a second.

PUBLIC COMMENT:

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

ADJOURNMENT:

Upon motion of Chairman Shelton, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission meeting adjourned at 12:00 p.m.