

California Gambling Control Commission
2399 GATEWAY OAKS DRIVE, SUITE 100
P.O. BOX 526013, SACRAMENTO, CA 95852-6013
(916) 263-0700 FAX (916) 263-0499
WWW.CGCC.CA.GOV

MINUTES OF MARCH 9, 2006
COMMISSION MEETING

OPEN SESSION

Chairman Shelton called the meeting of March 9, 2006, to order at 10:00 a.m., with Commissioners Cruz and Vuksich present.

Staff Participating in the morning session: Steve Giorgi, Executive Director, and Heather Hoganson, Staff Counsel, Legal Division.

SPECIAL ORDER OF BUSINESS

1. Staff Report Regarding Problem Gambling.

Staff Counsel Hoganson announced that March 6 through March 12 was problem gambling week and read a proclamation issued by Governor Schwarzenegger concerning problem gambling. A copy of Governor Schwarzenegger's Proclamation is incorporated into the minutes as Attachment A.

Steve Hendrick, Deputy Director, Office of Problem Gambling, addressed the Commission to provide a brief summary on the Advisory Group, which encompasses the combined efforts of the Department of Alcohol and Drug Programs Office of Problem Gambling and the State Lottery Commission, California Horse Racing Board, Department of Mental Health, Division of Gambling Control and Gambling Control Commission, efforts to address problem gambling.

Terri Sue Canale, Responsible Gambling Program Manager, Division of Gambling Control, addressed the Commission to provide a report on the Division's participation in the Advisory Group to address problem gambling. Manager Canale indicated that Division staff recently mailed out posters and flyers to cardrooms and tribal casinos to be posted in the gambling establishments during problem gambling week. Ms. Canale further indicated that the Division plans to enter into a memorandum of understanding with the tribal casinos so that the tribal casinos can participate in problem gambling programs with the state.

Bruce Roberts, Executive Director, California Council on Problem Gambling, presented comments to the Commission concerning problem gambling and indicated that the Council supports the proposed regulations concerning problem gambling.

2. Proposed Problem Gambling Regulations-Discussion of Draft to Begin Formal Administrative Procedure Act Notice and Comment Period.

Staff Counsel Hoganson presented the proposed regulations concerning extension of credit, check cashing, and automatic teller machines, and program for responsible gambling, Title 4, California Code of Regulations, Division 18, Chapter 7, Section 12360, 12381, and 12461-12466. Counsel Hoganson indicated that the draft regulations included some options for alternate language and staff was requesting that the Commission provide direction on which options to include in the regulations. A copy of the draft rulemaking package is incorporated into the minutes as Attachment B.

Commissioner Cruz instructed staff that he would like to see a definition of "extension of credit" included in the Chapter Definitions.

12381. Extension of Credit, Check Cashing, and Automatic Teller Machines (ATMs)

Staff Counsel Hoganson presented Section 12381, concerning extension of credit, check cashing and automatic teller machines, to the Commission for its consideration of whether a licensee may extend credit.

Chairman Shelton indicated that he had concerns with extending credit to gaming patrons, specifically in the form of check holding. Chairman Shelton further stated that he found the draft regulations to be very protective of clubs and not patrons.

Commissioner Vuksich indicated that she had concerns with allowing check holding.

David Fried, representing the Oaks Card Club, presented comments in response to Chairman Shelton's concerns and suggested that SB8 tasked the Commission to develop regulations to govern the extension of credit, which implies that the intent of the legislature was to allow extension of credit.

Commissioner Cruz inquired of Mr. Fried what the percentage of customers is that are extended credit. In response Mr. Fried indicated that although he was not able to provide an answer at present, he would provide that information to Commissioner Cruz.

Kermit Schayltz, President of Golden State Gaming Association and owner of the Lucky Derby, commented on extension of credit and check cashing indicating that card clubs have routinely been doing this as part of their regular business practice and that he would not want to see a knee-jerk reaction from the Commission with regard to this. He

suggested that the Commission work with the industry to gain knowledge regarding this business practice before attempting to regulate it.

Tom Williams, representing the Limelight, asked the Chairman if he was stating that cashing a check was an extension of credit, and Chairman Shelton responded that he considers the practice of holding checks for three weeks an extension of credit. Terri Sue Canale suggested that the Commission move on to the problem gambling regulations and table any possible action on regulation Section 12380 until staff has had the opportunity to work with the industry on the issue concerning extension of credit.

Joy Harn, representative for Bicycle Club, commented on the procedures in place at the Bicycle Club for extending credit to patrons. Ms. Harn indicated that the approval process for extending patrons credit was quite through and suggested that any potential problem gamblers might be weeded out through the process.

Chairman Shelton tabled the Commission's consideration of Section 12381 concerning extension of credit, check cashing, and automatic teller machines, indicating that the Commission would work closely with the industry to try to come up with a resolution agreeable to all.

Article 6. Program for Responsible Gambling

Staff Counsel Hoganson presented to the Commission the proposed regulations concerning program for responsible gambling. Staff Counsel Hoganson indicated that Commission and Division staffs have been working closely and cooperatively on problem gambling regulations for cardrooms, which includes signage and training components and also the development and Division implementation of a self-exclusion program within California where individuals can voluntarily bar themselves from all gaming activities and privileges, including entrance into a cardroom/casino, issuance of credit and or check cashing in cardrooms, receipt of direct-marketing and promotional materials and collection of any winnings or recovery of any losses during the exclusionary period.

Commissioner Cruz asked if there would be a statewide database for the exclusion program and whether it will be in place when the regulations take affect.

Terri Sue Canale responded to Commissioner Cruz indicating that the Division has contracted through TEALE to develop the database and if it is not operational at the time that the regulations take affect that the program will at first be done manually.

Chairman Shelton moved to adopt staff's proposal to begin the formal APA rulemaking process and start the 45-day comment period for the Program for Responsible Gambling Regulations. Commissioner Cruz seconded the motion.

David Fried commented on Sections 12462 and 12463(C), and (7) of the proposed regulations indicating that training of employees should not include employees who prepare or serve food, that gambling establishments were not comfortable with having to confront self-excluded patrons to forfeit any winnings, and that standards for removing excluded patrons from marketing should state removal from any mailing list maintained by the club.

Steve Hendrick commented on Section 12463(C) indicating that the Office of Problem Gambling does not have a mechanism in place for taking in forfeited money at this time. Mr. Hendrick also indicated that the regulations should contain a waiver from legal action against the Office of Problem Gambling as it does for the Commission and Division.

Joy Harn commented on Section 12463(C) indicating that the clubs did not want to be forced into a confrontation with an excluded patron to force them to forfeit their winnings. Ms. Harn also commented on the self-exclusion form indicating that an acknowledgement should be included on the form that the patron is aware that their information will be entered into a statewide database shared by gambling establishments in California.

Terrie Sue Canale commented on Mr. Fried's remarks concerning training for employees who prepare or serve food, indicating that these employees should be trained on where to direct patrons who are seeking help with problem gambling.

Kermit Schayltz commented on the self-restricting form and indicated that he would like there to be included on the form a list of games the patron wishes to be restricted from.

The motion made by Chairman Shelton and seconded by Commissioner Cruz to adopt staff's proposal to begin the formal APA rulemaking process and start the 45-day comment period for the Program for Responsible Gambling Regulations unanimously carried in a roll-call vote, with Chairman Shelton and Commissioners Cruz and Vuksich voting yes.

Chairman Shelton announced that the Commission would recess until 1:30 p.m. At 11:35 a.m. the Commission recessed.

RECONVENE FOR AFTERNOON SESSION

Chairman Shelton reconvened the meeting at 1:30 p.m., with Commissioners Cruz, and Vuksich present.

Staff Participating in the afternoon session: Executive Director, Steve Giorgi; Chief Legal Counsel, Cyrus Rickards; Senior Legal Counsel and Regulations Coordinator, Herb Bolz; and Terri Ciau, Deputy Director, Licensing Division.

REGULAR ORDER OF BUSINESS

The Commission tabled consideration of the February 9, 2006 meeting minutes.

Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in the vote by roll-call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the February 23, 2006 meeting minutes.

DECISION ITEMS

1. Applications for Work Permit:
 - a. The 101 Casino:
Kellner, Russell
Meex, Maureen

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit for Russell Kellner, Item 1.a., and Maureen Meex, Item 1.b. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the applications for a work permit for Russell Kellner and Maureen Meex.

2. Application for Key Employee License – Request for Withdrawal:
 - a. Hustler Casino:
Miller, James

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the request for withdrawal, without prejudice, of the application for a key employee license for James Miller, Item 2.a. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in the roll-call vote with Chairman Shelton, and Commissioners Cruz and Vuksich voting yes, the Commission approved the request for withdrawal of the application for a key employee license, without prejudice, for James Miller.

3. Requests to Purchase Existing Gambling Establishments:
 - a. Crystal Park Casino: Celebrity Casinos Inc., California Corporation

Senior Counsel Bolz indicated that Commission staff has reviewed the purchase agreement submitted by Celebrity Casinos, Inc., to purchase Crystal Park Casino and after several revisions, recommend approval of the request of Celebrity Casinos, Inc. to purchase the existing gambling establishment Crystal Park Casino, Item, 3.a. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting

yes, the Commission approved the request of Celebrity Casinos, Inc. to purchase Crystal Park Casino.

b. Gold Rush Gaming Parlor: Cal-Pac Grass Valley LLC, Limited Liability Company

Senior Legal Counsel Bolz presented to the Commission for its consideration the two following separate issues regarding the request of Cal-Pac Grass Valley LLC, to purchase the existing gambling establishment Gold Rush Gaming Parlor, Item 2.b.

- (1) A request from Gold Rush buyer to approve an addendum to the sales agreement which would in effect *remove the requirement that the parties cannot close until 90 days after the filing of the buyer's license application.*

Senior Legal Counsel Bolz indicated that with regards to the first issue staff recommends approval of this proposal in order to speed up the buyer's takeover of the cardroom. The Gambling Control Act does not mandate the 90-day delay.

Douglas Moore addressed the Commission concerning the Gold Rush Gaming Parlor and indicated he was in favor of the Cal-Pac sale. Mr. Moore also commented on his dealings with Sue Barrows on personal financial issues and his concerns that creditors would not be paid, and finally Mr. Moore made mention of continuing violations occurring in the gambling establishment.

Chairman Shelton advised Mr. Moore that his concerns fail to fall under the Commission's jurisdiction, recommended he retain private legal counsel, and suggested any further comments be submitted to the Commission in writing. Chairman Shelton also suggested that any information regarding continuing cardroom violations be submitted to the Division of Gambling Control for review.

Senior Legal Counsel Bolz clarified that if Cal-Pac applied for a temporary license and if the Commission approves the license, then Cal-Pac could take over operation.

Upon the motion of Commissioner Cruz, seconded by Chairman Shelton and unanimously carried in a vote by roll-call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the request from Gold Rush Parlor to approve an addendum to the sales agreement which would in effect *remove the requirement that the parties cannot close until 90 days after the filing of the buyer's license application.*

- (2) A request from the Gold Rush Gaming Parlor to reconsider the revisions made to the hold-back clause on February 9, 2006.

Senior Counsel Bolz indicated that staff will not be making a recommendation with regards to this request and advised that Robert Tabor, Attorney for Sue Barrows, Gold

Rush Gaming Parlor, was present to request reconsideration of the revisions made to the hold-back clause on February 9, 2006.

Mr. Tabor initially stated that Ms. Barrows has never received formal notification that she is under investigation and therefore requested reconsideration that the statement, Ms. Barrows "*is under current investigation by the Division of Gambling Control*", be changed to read: "*the Division at a public hearing asserted that Ms. Barrows is under investigation*".

Chairman Shelton stated that as a matter of public record the Division addressed the Commission on February 9, 2006, advising that the Division was conducting an investigation of Ms. Barrows. Chairman Shelton further indicated that the Commission would agree to change the wording to read: "*the Division at a public hearing asserted that Ms. Barrows is under investigation*".

Mr. Tabor then stated that the purchase price of the Gold Rush Gaming Parlor is \$525,000 and the Commission's proposed increase in the reserve fund from \$50,000 to \$150,000 represents approximately 30% of the purchase price and is excessive. Mr. Tabor added that he is in receipt of documents prepared by the bookkeeper for Gold Rush confirming the total tax liens and current outstanding debts to be approximately \$30,000. Mr. Tabor requested a compromise to increase the reserve fund to \$75,000, which would leave approximately \$45,000 for Division investigative fees and assessments.

Commissioner Cruz stated it was not the intention of the Commission to deprive Ms. Barrows of what is entitled to her but to assure that all debts including any Division investigative fees and assessments be paid.

Mr. Tabor also requested reconsideration of the wording: "*that funds not to be paid out to Ms. Barrows until the Commission takes final action*" stating his concern of the possibility that the Division would require an extended length of time to complete their investigation before funds could be released to Ms. Barrows.

Chairman Shelton indicated he would consider a motion to decrease the reserve amount to \$80,000 for a period of six months.

Chief Legal Counsel Rickards recommended a one year period for holding funds in a reserve account, in the event a hearing is necessary, with the understanding that Mr. Tabor could come back before the Commission and have the time limit shortened.

Mr. Tabor was in agreement with Chief Legal Counsel Rickard's recommendation.

Chairman Shelton moved to amend the Commission's condition for approval of the sale of the Gold Rush Gaming Parlor, to establish an \$80,000 reserve fund, to be held for a period of one year.

Senior Legal Counsel Bolz suggested that the Commission further amend the conditions for approval of the sales agreement to allow for any tax debts that would arise from the sale of the gambling establishment to be paid immediately and not be subject to the reserve fund's one-year period. Senior Legal Counsel Bolz recommended that the Commission adopt the following amendments to the conditions for approval of the sales agreement.

1) Reduce the hold-back fund to \$80,000; 2) require a one-year time limit on the back fund; and 3) the money to satisfy the tax obligations, up to \$40,000, may be paid immediately upon activation of the fund without waiting for resolution of the administrative charges.

Chairman Shelton amended his motion to reflect the stated recommendations of Senior Legal Counsel Bolz, which was seconded by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the revised recommendations to the sales agreement for Gold Rush Gaming Parlor.

c. Rooney's Cardroom: Sau Cung Phong, Sole Proprietor

Senior Counsel Bolz indicated that after review of the proposed sales agreement and after several revisions, the agreement complies with the requirements of the Gambling Control Act and Commission staff recommend approval of the sale of Rooney's Cardroom to Mr. Sau Cung Phong, Item 3.c. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously adopted in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the sales agreement for Rooney's Cardroom.

Haig Kelegian addressed the Commission to complement staff on the excellent job done in the processing of the sales agreement for Crystal Park Casino and added that the City of Compton passed a resolution to approve the purchase of the casino. Mr. Kelegian requested that the Commission act on the application for temporary licensure, previously submitted to the Commission. Chairman Shelton advised Mr. Kelegian that the Commission is unable to address an item not on the current agenda.

4. Application for Renewal of State Gambling License:

a. Village Club: Harvey Frank Souza, Sole Proprietor

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of state gambling license for Village Club, Item 4.a.

Chairman Shelton moved to adopt the staff recommendation and Commissioner Vuksich seconded the motion.

- McClintic, Gina
- f. Picayune Rancheria of Chukchansi Indians of California – Chukchansi Gold Resort and Casino:
Lorance, Johnny
 - g. Rumsey Indian Rancheria of Wintun Indians of California – Cache Creek Casino Resort:
Lee, Michael
 - h. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation – Chumash Casino Resort:
Cloward, Wayne
 - i. Twenty-Nine Palms Band of Mission Indians of California – Spotlight 29 Casino:
Santillan, Christina
 - j. United Auburn Indian Community of the Auburn Rancheria of California – Thunder Valley Casino:
Vela, Nadine

The Commission did not act on the applications for Tribal-State Compact Key Employees Findings of Suitability for the Cabazon Band Mission Indians, Item 6.b. and Pala Band of Luiseno Mission Indians, Item 6.d., which were tabled at the request of staff.

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for Tribal-State Compact Key Employee Finding of Suitability: for all Items in Item 6, excluding those previously tabled. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in the call for a vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the applications for tribal-state compact key employee finding of suitability for all items in Item 6, excluding those previously tabled.

CONSENT CALENDAR ITEMS:

1. Applications for Tribal-State Compact Key Employee Finding of Suitability:

- a. Agua Caliente Band of Cahuilla Indians of the Agua Caliente Reservation – Agua Caliente Casino:
Glaser, Joanne
O'Brien, Susan
Stangarone, Patricia
- b. Alturas Indian Rancheria – The Desert Rose Casino:
Carlson, Dianne
Riley, Stephen
- c. Barona Group of Capitan Grande Band of Mission Indians of the Barona Reservation – Barona Valley Ranch Resort and Casino:
Attiyeh, Hussien
Fernandez, Lydia
Geronimo, Marilyn
McMurry, Karter
Sallee, Karrie
Sorrell, Catrina

- t. Rumsey Indian Rancheria of Wintun Indians of California – Cache Creek Casino Resort:
 - Alexander, James
 - Lee, Choong
- u. Santa Rosa Indian Community of the Santa Rosa Rancheria – The Palace Indian Gaming Center:
 - Andrade, Anthony
 - Garza, Judy
 - Bautista, Iglicerio
- v. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation – Chumash Casino Resort:
 - Almaraz, Donna
 - Wilson, Hoa
 - Segovia, Joseph
- w. Soboba Band of Luiseno Indians- Soboba Casino
 - Harbour, Sherry
 - Ricciardi, Sheryl
- x. Table Mountain Rancheria of California – Table Mountain Casino:
 - Contreras, Joseph
 - Reese, Hershel
 - Curtis, Brandon
- y. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino: Cha, Tou
- z. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria of California – Black Oak Casino: Davis, James
- aa. United Auburn Indian Community of the Auburn Rancheria of California – Thunder Valley Casino: Saetern, Lai

Deputy Director Ciau presented the Consent Calendar to the Commission for its consideration of the applications for Tribal-State Compact Key Employee Finding of Suitability. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved the Consent Calendar.

PUBLIC COMMENT:

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

CLOSED SESSION:

At 2:07 p.m. the Commission adjourned to Closed Session after Chairman Shelton announced that the Commission would adjourn to Closed Session under the authority of Government Code section 11126.4 to discuss Tribal State Gaming Compact Quarterly Contribution Report Audits.

RECONVENE OPEN SESSION

Chairman Shelton reconvened the meeting at 3:11 p.m. with Commissioners Cruz and Vuksich present.

ADOURNMENT

Upon motion to adjourn the meeting by Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the meeting adjourned at 3:12 p.m.

[Please click here to return to the previous page.](#)

Proclamation

Governor Schwarzenegger Proclaims March 6-12, 2006 "California Problem Gambling Awareness Week"

EXECUTIVE DEPARTMENT

STATE OF CALIFORNIA



PROCLAMATION
by the
Governor of the State of California

Gambling in California provides revenue for our State and local governments, jobs for communities, and entertainment for responsible patrons. However, an estimated two to five percent of the general population experience significant difficulties as a result of gambling, including financial, physical and mental health problems.

From youth to senior citizens, problem gamblers can span all segments of society. Their behaviors have destructive consequences that impact families, communities and employers.

During the second week of March, we observe "Problem Gambling Awareness Week" to educate the public about the warning signs of problem gambling and the helpful resources available to those in need.

Many government and nonprofit agencies throughout California are working together to assess the problem and provide critical services. Problem gamblers, and those who care for them, can find assistance through the 1-800-GAMBLER helpline and support groups such as Gamblers Anonymous and Gam-Anon.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, do hereby proclaim March 6-12, 2006, as "California Problem Gambling Awareness Week."



IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-second day of February 2006.

/s/ Arnold Schwarzenegger

Governor of California

Proclamations are posted as soon as possible but may not always be available on the day they are issued.

[Back to Top of Page](#)

[Please click here to return to the previous page.](#)

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
30
31
32

Title 4. Business Regulations

Division 18. California Gambling Control Commission

Chapter 7. Conditions of Operation for Gambling Establishments

Article 1. General Provisions

Section 12360. Chapter Definitions

The definitions in Business and Professions Code section 19805 govern the construction of this chapter. As used in this chapter:

- (a) "Licensee" means "owner licensee" as defined in Business and Professions Code section 19805, subdivision (y).
- (b) "Self-Exclusion" means an irrevocable voluntary agreement to be excluded from gambling establishments and all games or gaming activities or privileges and to be prohibited from collecting any winnings or recovering any losses for a specified term. A Self-Exclusion list shall be maintained by the Division and shall not be open to public inspection.
- (c) "Self-Restriction" means an irrevocable voluntary agreement to be either:
 - (1) Completely excluded from a particular gambling establishment and all games or gaming activities or privileges and to be prohibited from collecting any winnings or recovering any losses for a specified term, or
 - (2) To have restrictions placed on the amount of credit and/or check cashing that may occur at that particular gambling establishment, and/or
 - (3) To be excluded from any marketing or promotional activities of the particular gambling establishment.

Authority: Sections 19811, 19823, 19840, 19841(o), and 19920~~Section 49840~~, Business and Professions Code

Reference: Section 19805, Business and Professions Code

1 **Article 3. Minimum Internal Control Standards for Gambling**
2 **Establishments (MICS)**

3 **12381. Extension of Credit, Check Cashing, and Automatic Teller**
4 **Machines (ATMs)**

5 **OPTION 1 for (a-b-c):** (a) A licensee may not extend credit.

6 **OPTION 2 for (a-b-c):**

7 (a) A licensee may extend credit to a patron if, prior to extending credit to
8 the patron, the licensee determines that an extension of credit is not
9 prohibited by any statute, law, regulation, or local ordinance. **In addition**
10 **to complying with all laws regarding the issuance of credit,** a licensee
11 that extends credit to a patron shall address, in policies and procedures,
12 the following requirements for the extending and collecting of credit:

13 (1) Establish a method for determining the maximum amount which will
14 be advanced to a patron.

15 (2) Prior to extending credit to a patron, ensure that the person
16 requesting the credit is positively identified by examining the patron's
17 valid driver's license or another acceptable method of identification.
18 In addition, ensure that one of the following has been met:

19 (A) Receipt of information from a bona fide credit-reporting agency
20 that the patron has an established credit history consistent with
21 approved credit policies.

22 (B) Examination of records of previous credit transactions with the
23 patron showing that the patron has paid substantially all credit
24 instruments and otherwise document that it has a reasonable
25 basis for extending the amount to the patron.

26 (3) An owner or designated key employee other than a dealer must
27 approve any credit application.

28 (b) For each patron that is issued credit, the following information shall be
29 collected and maintained:

30 (A) Patron's name, current address, and signature;

31 (B) A photocopy of picture identification, such as a driver's license
32 or passport;

33 (C) Basis upon which credit verified, as listed in subsection (a)(2);

34 (D) Documentation of authorization by a person designated by
35 management to approve credit;

1 (E) Authorized credit limit; and

2 (F) Credit balance outstanding and payments.

3 (c) If an extension of credit is delinquent for more than 90 days, the person
4 to whom credit was extended shall be prohibited from obtaining
5 additional credit until the amount owed is paid in full.

6 (d) No gambling enterprise employee may cash any check which is
7 prohibited by any statute, regulation, or ordinance, or any non-payroll
8 checks drawn against any federal, state, county, or other government
9 fund, including, but not limited to, social security, unemployment
10 insurance, disability payments, or public assistance payments, as
11 outlined in Business and Professions Code section 19841,
12 subdivision (q).

13 (e) A licensee that cashes checks for a patron shall not charge or collect a
14 fee exceeding \$2 for cashing a check for a patron.

15
16 **OPTION:** A licensee who does not deposit a patron's check within 15
17 days of receipt shall be considered to have extended credit to that
18 patron.

19 (f) A licensee that cashes checks for a patron shall address, in policies and
20 procedures, the following requirements for the cashing of checks:

21 (1) Prior to cashing a check for a patron, the cage cashier shall
22 determine that cashing such check is not prohibited;

23 (2) If personal checks, cashier's checks, or payroll checks are cashed,
24 the cage cashier shall examine and record at least one item of
25 personal identification, such as a valid driver's license number.

26 (3) Records of all returned checks shall be maintained by the accounting
27 department or owner and shall be available to the cashier. The
28 records shall include, at a minimum, the following:

29 (A) Date of the check.

30 (B) Name of the drawer of the check.

31 (C) Amount of the check.

32 (D) Date(s) the check was dishonored.

33 (E) Date(s) and amount(s) of any collection received on the check
34 after being returned by a bank.

1 (4) If a check is dishonored, the person who proffered the check shall be
2 prohibited from cashing additional checks until the amount owed is
3 paid in full.

4 (g) A licensed gambling establishment shall not have an ATM (automatic
5 teller machine or cash- or voucher- dispensing machine) accessible by
6 an individual while seated at a gaming table.

7 (h) ATMs shall be configured to reject Electronic Benefit Transfer cards
8 (EBTs) issued by the State of California or by any city, county, or city
9 and county therein.

10 Authority cited: Sections 19811, 19823, 19840, 19841(o) and (q), and 19920, Business and Professions
11 Code.

12 Reference: Sections 19801 and 19920, Business and Professions Code.
13

14 **Article 4. Accounting and Financial Reporting**

15 **12410. Unclaimed or Abandoned Property**

16 A licensee shall address, in policies and procedures, the following
17 requirements for unclaimed or abandoned property:

18 (a) Procedures shall be in place to record unclaimed chips, cash, and cash
19 equivalents left at a gaming table or in player's banks, uncashed checks
20 issued by the licensee to a patron, and uncashed checks drawn on a
21 licensee's account.

22 (b) If the identity of the owner of the unclaimed property described in
23 subsection (a) is known, procedures shall be in place to comply with
24 California's Unclaimed Property Law (Code Civ. Proc., section 1500 et
25 seq.).

26 (c) If the identity of the owner of the unclaimed property described in
27 subsection (a) cannot be determined, unclaimed or abandoned money
28 shall be sent to Office of Problem Gambling (or its successors).
29 Records of the date and amount sent shall be kept by the licensee.
30

31 Authority cited: Sections 19811, 19840, 19841(g), (h), and (j), and 19920, Business and Professions
32 Code.

33 Reference: Sections 19801 and 19841(g), (h), and (j), Business and Professions Code.
34 Section 4369.4, Welfare and Institutions Code.
35
36

1 **Article 6. Program for Responsible Gambling**

2 **12461. Posting Referral Information**

3 (a) Each licensee, within 120 days of the effective date of this regulation,
4 shall post or provide, at entrances or exits, and in conspicuous places in
5 or near gambling areas and any areas where cash or credit are available
6 to patrons, accessible written materials concerning the nature and
7 symptoms of problem gambling and the toll-free telephone number
8 approved by the Office of Problem Gambling (or its successors) that
9 provides information and referral services for problem gamblers,
10 currently "1-800-GAMBLER".

11 (b) If the licensee operates a web site for the gambling establishment, that
12 web site shall contain a responsible gambling message and a link to the
13 Office of Problem Gambling (or its successors) that provides information
14 and referral services for problem gamblers,
15 currently "<http://www.problemgambling.ca.gov>".

16 (c) If the licensee produces any advertising material, such material shall
17 contain a responsible gambling message and shall refer to the
18 telephone number listed in subsection (a) above and/or the link to the
19 web site listed in subsection (b) above.

20 Authority cited: Sections 19811, 19823, 19840, 19841(o), and 19920, Business and Professions Code.
21 Reference: Sections 19801 and 19920, Business and Professions Code.
22 Sections 4359.2 and 4369.4, Welfare and Institutions Code.
23

24 **12462. Training Requirements**

25 (a) Each licensee shall implement, within 120 days of the effective date of
26 this regulation, procedures to conduct new employee orientations and
27 annual training for all employees who directly interact with gambling
28 patrons in gambling areas.

29 (b) New employee orientations and annual training shall be documented,
30 including signatures by the employee and the licensee or key employee
31 who coordinated the training, the date and length of the training, and the
32 name of the trainer, as part of the licensee's application for renewal.
33 Copies of this documentation shall be kept in an employee's personnel
34 file for a minimum of five years.

35 (c) The training shall, at a minimum, consist of information concerning the
36 nature and symptoms of problem gambling behavior, assisting patrons

1 in obtaining information about problem gambling programs, and
2 information on the self-restriction and self-exclusion programs.

3 (d) Each licensee shall designate personnel responsible for maintaining the
4 program and addressing the types and frequency of such training and
5 procedures.

6 (e) This section shall not be construed to require employees to identify
7 problem gamblers.

8 Authority cited: Sections 19811, 19823, 19840, 19841(o), and 19920, Business and Professions Code.

9 Reference: Sections 19801 and 19920, Business and Professions Code.

10 Sections 4369.2 and 4369.4, Welfare and Institutions Code.

11

12 **12463. Self-Restriction Program**

13 (a) Licensees shall implement, within 120 days of the effective date of this
14 regulation, a program that allows patrons to self-limit their access to the
15 gambling establishment entirely, or to the issuance of credit, check
16 cashing, or marketing by that licensee. Such program shall contain, at a
17 minimum, the following:

18 (1) The development of written materials for dissemination to patrons
19 explaining the program;

20 (2) The development of written forms allowing patrons to participate in
21 the program, which may include use of a form entitled "Self-
22 Restriction Form" CGCC-036 (New 12-05), attached in Appendix A to
23 this Chapter;

24 (3) Standards and procedures for maintaining and updating a list of self-
25 restricted persons, wherein the confidentiality of the list is protected
26 and only agents or employees have access, unless needed by
27 Division staff or law enforcement pursuant to an investigation or in
28 assisting in a Problem Gambling program by an entity approved by
29 the Commission;

30 (4) Standards and procedures that allow a patron to be excluded from
31 the gambling establishment, with the exception of access for the sole
32 purpose of carrying out the duties of employment, including:

33 (A) Removal procedures for patrons who attempt entry after
34 requesting to be excluded,

35 (B) Notification to the Division of any incidents of removals, and

1 (C) Forfeiture of any money or prizes won or any losses recovered
2 by an excluded person and the remittance of such to the Office of
3 Problem Gambling (or its successors);

4 (5) Standards and procedures that allow a patron to be excluded from
5 access to check cashing or the issuance of credit;

6 (6) Standards and procedures that allow a patron to be excluded from
7 direct mail marketing, telephone marketing, and other direct
8 marketing regarding gaming opportunities or promotions at the
9 gambling establishment;

10 (7) Standards and procedures for removal of a patron from check-
11 cashing, credit, or marketing opportunities by the gambling
12 establishment.

13 (b) This section does not mandate that a gambling establishment provide
14 the services of a notary public for persons who wish to complete the
15 Self-Restriction form.

16 Authority cited: Sections 19811, 19823, 19840, 19841(o), and 19920, Business and Professions Code.

17 Reference: Sections 19801 and 19920, Business and Professions Code.

18 Section 4369.4, Welfare and Institutions Code.

19

20 **12464. Self-Exclusion Program.**

21 (a) Licensees shall implement, within 120 days of the effective date of
22 this regulation, a program that allows patrons to self-exclude
23 themselves from gambling establishments using a form entitled "Self-
24 Exclusion Form" CGCC-037 (New 12-05), attached in Appendix A to
25 this Chapter. Such program shall contain, at a minimum, the
26 following:

27 (1) Standards and procedures for providing Self-Exclusion forms and
28 for sending any completed Self-Exclusion forms to the Division;

29 (2) Standards and procedures for maintaining and updating a list of
30 self-excluded persons, wherein the confidentiality of the list is
31 protected and only agents or employees have access, unless
32 needed by Division staff or law enforcement pursuant to an
33 investigation or in assisting in a Problem Gambling program by an
34 entity approved by the Commission;

35 (3) Standards and procedures to ensure that self-excluded patrons,
36 as noticed by the Commission or Division, are not allowed on the
37 premises during the term of exclusion, with the exception of

1 access for the sole purpose of carrying out the duties of
2 employment, including removal procedures for patrons who
3 attempt entry after requesting to be excluded and notification to
4 the Division of any incidents of removals;

5 (4) Standards and procedures for the forfeiture of any money or prizes
6 won or any losses recovered by an excluded person and the
7 remittance of such to the Office of Problem Gambling (or its
8 successors);

9 (5) Standards and procedures for removal of a patron from direct mail
10 marketing, telephone marketing, and other direct marketing
11 regarding gaming opportunities or promotions at the gambling
12 establishment;

13 (6) Standards and procedures for removal of a patron from check-
14 cashing, credit, or marketing opportunities by the gambling
15 establishment.

16 (b) This section does not mandate that a gambling establishment provide
17 the services of a notary public for persons who wish to complete the
18 Self-Exclusion form.

19 Authority cited: Sections 19811, 19823, 19840, 19841(o), and 19920, Business and Professions Code.
20 Reference: Sections 19801 and 19920, Business and Professions Code.
21 Section 4369.4, Welfare and Institutions Code.
22

23 **12466. Responsible Gambling Program Review**

24 (a) The Executive Director or Division staff may require that any licensee
25 make available for review or submit any of the elements of its program
26 described in this Article, to the Executive Director or Division staff for
27 review. If the Commission makes an administrative determination that
28 the licensee's program does not adequately address the standards as
29 set forth in this Article, then the Executive Director may issue such a
30 determination identifying the deficiencies and specifying a time certain
31 within which those deficiencies shall be cured. Judicial review of the
32 Executive Director's decision is subject to the limitation of Business and
33 Professions Code Section 19804.

34 (b) Failure by a licensee to establish the programs set forth in this Article, or
35 to cure a deficiency identified pursuant to subsection (a), constitutes an
36 unsuitable method of operation and is in violation of this section.

1 (c) In addition to any other remedy under the Gambling Control Act, the
2 Commission may assess a monetary penalty not exceeding \$1,000 for
3 violation of this section.

4 (d) This section does not create any right or cause of action on behalf of an
5 individual who participates in self-restriction or self-exclusion under this
6 Article against the state of California, the California Gambling Control
7 Commission, the Division of Gambling Control, or a gambling
8 establishment.

9

10 Authority cited: Sections 19811, 19823, 19840, 19841(o), and 19920, Business and Professions Code.

11 Reference: Sections 19801 and 19920, Business and Professions Code.

12 Section 4369.4, Welfare and Institutions Code.

13

14

15 **Appendix A**

16



SELF-RESTRICTION FORM

Type or print (in ink) all information requested on this form.
 If additional space is needed, please note response on a separate sheet of paper and attach to the form.

SECTION 1: PERSONAL INFORMATION

Full Legal Name:

First	Middle (if applicable)	Last

Other Names (Former Names (such as Maiden names), Nicknames, or Aliases / A.K.A.'s):

Home Address:

Street	City	State	Zip Code

Mailing Address (if different than Home Address):

Street	City	State	Zip Code

Home Telephone Number:

()

Business Number:

()

Games most often played:

SECTION 2: RESTRICTION FOR _____ (Name of Cardroom or participating gambling facility)

TOTAL EXCLUSION: Initial Appropriate Term: One Year _____ Five Years _____ Lifetime _____

Please delete me from any MARKETING or PROMOTIONAL information:

Please restrict me from any CHECK-CASHING privileges: Or Limit as follows: _____

Please restrict me from any CREDIT: Or Limit as follows: _____

SECTION 3: PHOTO AND VISUAL DESCRIPTION

Gender: Male Female Date of Birth: _____ / _____ / _____ Race/Ethnicity: _____

Height: _____ Weight: _____ Hair Color/Type: _____ Eye Color: _____

Date of Photograph: _____ / _____ / _____ CA Drivers License: _____

Distinguishing marks (such as visible scars or tattoos – describe mark & location):

AFFIX A RECENT
 PASSPORT QUALITY
 PHOTOGRAPH
 HERE SHOWING
 HEAD AND SHOULDERS OF
 PERSON TO BE EXCLUDED

Type of vehicle normally driven: _____ License Plate: _____

SECTION 4: DECLARATION

I understand English or have had an interpreter read and explain this form to me from _____ (Language)

I understand that the ultimate responsibility to limit my access to the Gambling Establishment or participating gambling facility or gaming services in the State of California remains mine alone.

I voluntarily seek to exclude or restrict myself as indicated in Section 2.

If I choose Total Exclusion:

(Initial Here) I agree that I will not attempt to enter and/or use any of the services or privileges of a California Gambling Establishment or participating gambling facility during the period checked in Section 2.

(Initial Here) I acknowledge and understand that should I attempt to enter a California Gambling Establishment or participating gambling facility or use the services of a Gambling Establishment or participating gambling facility during the Term of Exclusion, once identified, I shall be escorted from the Gambling Establishment or participating gambling facility and any winnings or prizes I may have accrued or losses recovered will be confiscated and donated by the Gambling Establishment or participating gambling facility to the Office of Problem Gambling.

(Initial Here) This self-exclusion request is **irrevocable** during the time period checked in Section 2.

I understand that disclosure of certain information is necessary to effect my request for self-exclusion or restriction. Disclosure may also occur if needed for the conduct of an official investigation or if ordered by a court of competent jurisdiction.

I will not seek to hold the Gambling Establishment or participating gambling facility liable in any way should I enter a Gambling Establishment or participating gambling facility and/or use any of the services or privileges therein despite this exclusion/restriction request, and I agree to indemnify the State of California, the California Gambling Control Commission, and the Division of Gambling Control for any liability relating to this request. Specifically, I for myself, my heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the California Gambling Control Commission, the Division of Gambling Control, the Gambling Establishment, participating gambling facility, their agents, employees, officers, and Directors and those with whom they may lawfully share information regarding this exclusion or restriction (collectively, the "Released Parties") from any and all claims in law or equity that I now have, or may have in the future, against all or any of all of the Released Parties arising out of, or by reason of, the performance or non-performance of this self-exclusion/restriction request, or any matter relating thereto. I further agree, in consideration for the Released Parties' efforts to implement my exclusion or restriction, to indemnify and hold harmless the Released Parties to fullest extent permitted by law for any and all liabilities, judgments, damages, and expenses of any kind, including reasonable attorneys' fees, resulting from or in connection with the performance or non-performance of the self-exclusion/restriction requested herein.

I declare that all information submitted on or with this self-restriction form is true, correct, and complete.

Signature: _____

Print Name: _____

Date: _____ / _____ / _____

SECTION 5: NOTARIZATION

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20____.

By _____
 personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public Seal:

Signature _____
My Commission expires on: _____ / _____ / _____

OR

WITNESS BY KEY EMPLOYEE

As a Key Employee of this Gambling Establishment or participating gambling facility, I affirm that on _____ day of _____, 20____.

I witnessed _____ (individual's name)

complete this form and that this person is:

personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Signature of Key Employee _____



State of California
California Gambling Control Commission
 CGCC - 037 (New 12-05)

State of California Use Only	
Date Received:	_____
Data Input Date:	_____
Date to CGCC:	_____

SELF-EXCLUSION FORM

Type or print (in ink) all information requested on this form.

If additional space is needed, please note response on a separate sheet of paper and attach to the form.

You may hand this completed form in to any Cardroom or participating gambling facility, to the Division of Gambling Control, or the California Gambling Control Commission. Or you may mail this completed form to: **Division of Gambling Control, P.O. Box 168024, Sacramento, CA 95816.**

SECTION 1: PERSONAL INFORMATION

Full Legal Name:

First	Middle (if applicable)	Last

Other Names (Former Names (such as Maiden names), Nicknames, or Aliases / A.K.A.'s):

Home Address:

Street	City	State	Zip Code

Mailing Address (if different than Home Address):

Street	City	State	Zip Code

Home Telephone Number:

()

Business Number:

()

Games most often played:

SECTION 2: TERM OF EXCLUSION

Please Initial Appropriate Term: One Year _____ Five Years _____ Lifetime _____

SECTION 3: PHOTO AND VISUAL DESCRIPTION

Gender: Male Female Date of Birth: / / Race/Ethnicity:

Height: Weight: Hair Color/Type: Eye Color:

Date of Photograph: / / CA Drivers License:

Distinguishing marks (such as visible scars or tattoos – describe mark & location):

AFFIX A RECENT
 PASSPORT QUALITY
 PHOTOGRAPH
 HERE SHOWING
 HEAD AND SHOULDERS OF
 PERSON TO BE EXCLUDED

Type of vehicle normally driven: License Plate:

SECTION 4: DECLARATION

I understand English or have had an interpreter read and explain this form to me from _____ (Language)

I voluntarily seek to exclude myself as described checked in Section 2.

(Initial Here) I agree that I will not attempt to enter and/or use any of the services or privileges of a California Gambling Establishment or participating gambling facility during the period checked in Section 2.

(Initial Here) I acknowledge and understand that should I attempt to enter a California Gambling Establishment or participating gambling facility or use the services of a Gambling Establishment or participating gambling facility during the Term of Exclusion, once identified, I shall be escorted from the Gambling Establishment or participating gambling facility and any winnings or prizes I may have accrued or losses recovered will be confiscated and donated by the Gambling Establishment or participating gambling facility to the Office of Problem Gambling.

I understand that the ultimate responsibility to limit my access to the Gambling Establishment or participating gambling facility or gaming services in the State of California remains mine alone.

(Initial Here) This self-exclusion request is **irrevocable** during the time period checked in Section 2.

I understand that disclosure of certain information is necessary to effect my request for self-exclusion. Disclosure may also occur if needed for the conduct of an official investigation or if ordered by a court of competent jurisdiction.

I will not seek to hold the Gambling Establishment or participating gambling facility liable in any way should I enter a Gambling Establishment or participating gambling facility and/or use any of the services or privileges therein despite this exclusion request, and I agree to indemnify the State of California, the California Gambling Control Commission, and the Division of Gambling Control for any liability relating to this request. Specifically, I for myself, my heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the California Gambling Control Commission, the Division of Gambling Control, the Gambling Establishment or participating gambling facility, their agents, employees, officers, and Directors and those with whom they may lawfully share information regarding this exclusion (collectively, the "Released Parties") from any and all claims in law or equity that I now have, or may have in the future, against all or any of all of the Released Parties arising out of, or by reason of, the performance or non-performance of this self-exclusion request, or any matter relating thereto. I further agree, in consideration for the Released Parties' efforts to implement my exclusion, to indemnify and hold harmless the Released Parties to fullest extent permitted by law for any and all liabilities, judgments, damages, and expenses of any kind, including reasonable attorneys' fees, resulting from or in connection with the performance or non-performance of the self-exclusion requested herein.

I declare that all information submitted on or with this self-exclusion form is true, correct, and complete.

Signature: _____

Print Name: _____

Date: _____ / _____ / _____

SECTION 5: NOTARIZATION

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20_____.

By _____
 personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public Seal:

Signature of Notary Public _____
My Commission expires on: _____ / _____ / _____

OR

WITNESS BY KEY EMPLOYEE

As a Key Employee of this Gambling Establishment or participating gambling facility, I affirm that on _____ day of _____, 20_____.

I witnessed _____ (individual's name)

complete this form and that this person is:

personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Signature of Key Employee _____