

California Gambling Control Commission
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SACRAMENTO, CA 95833
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**MINUTES OF DECEMBER 11, 2008
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Dean Shelton called the meeting to order at 10:03 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. A. Roll Call of Commissioners.

Roll Call of Commissioners was taken with Chairman Shelton and Commissioners Shimazu, and Vuksich present.

B. Finding of Necessity for Adding Agenda Item number 9B
(Government Code section 11125.3(a)(2)).

Acting Deputy Director Littleton presented the following staff recommendation:

The Commission finds: (1) that there is a need to take action to the addition of agenda item number 9B; and (2) that the need for this action came to the attention of the Commission subsequent to the distribution of the agenda as specified in Government Code section 11125.

New legislation, Business & Professions Code section 19965 (AB 163), goes into effect on January 1, 2009, to allow additional permanent tables. The Commission has been apprised that Capitol Casino submitted their application for four additional permanent tables and the Bureau completed its report and forwarded it to the Commission on November 25, 2008. Capitol Casino reasonably expected to have the item on the December 11, 2008, agenda for these new tables to go into operation on January 1, 2009. With this reasonable expectation, Capitol Casino expended monies towards the advertisement of these new tables being in play on January 1, 2009.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

3. Approval of Commission Meeting Minutes:

- A. October 14, 2008
- B. October 23, 2008
- C. November 6, 2008

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the meeting minutes for October 14, October 23, and November 6, 2008.

4. Request for Transfer of Shares (Pursuant to Business and Professions Code section 19904):

Delta Casino, downtown: Delta C, LP -Delta CM, Inc., General Partner
Nader Tafty, Delta C, LP, Limited Partner; Delta CM, Inc., Shareholder
Delta Casino: Delta C, LP – Delta CM, Inc., General Partner
Nader Tafty, Delta C, LP, Limited Partner; Delta CM, Inc., Shareholder

Senior Legal Counsel Bolz indicated that staff recommended that the Commission approve the transfer of shares to Nader Tafty.

Nader Tafty responded to Commissioner Vuksich's questions regarding his source of funding for purchase of the shares.

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

5. Request for Temporary Initial State Gambling License (Pursuant To Business and Professions Code section 19824(f)):

Delta Casino, downtown: Delta C, LP -Delta CM, Inc., General Partner
Nader Tafty, Delta C, LP, Limited Partner; Delta CM, Inc., Shareholder
Delta Casino: Delta C, LP – Delta CM, Inc., General Partner
Nader Tafty, Delta C, LP, Limited Partner; Delta CM, Inc., Shareholder

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the temporary state gambling license for Nader Tafty for the licensure period of December 11, 2008 through June 30, 2009, with the following seven conditions:

1. *The temporary initial license takes effect on the date that the Commission approves the request and expires June 30, 2009. If more time is needed to complete the background process, then the temporary state gambling license can be extended for an appropriate amount of time after consultation with the Bureau.*
2. *Issuance of a temporary license does not obligate the Commission to grant a permanent license. Issuance of a temporary license does not create a vested right in the holder to either extension of the temporary license or to a regular license.*

3. *Issuance of this temporary license does not in any way change the legal requirement that the applicant bears the burden of establishing that he/she is suitable pursuant to Business and Professions (B&P) Code section 19856(a) for a regular license.*
4. *Issuance of this temporary license does not change the license qualification requirements of the Gambling Control Act, including but not limited to B&P Code sections 19856, 19857, 19858, and 19859.*
5. *The applicant has pending applications for regular state gambling licenses. A regular license may or may not be issued, depending upon the results of the complete background investigation and upon the conduct of the applicant and its employees during the term of the temporary license.*
6. *If, during the term of the temporary license, the Executive Director determines that any particular applicant is disqualified for any of the reasons set forth in B&P Code section 19859, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. The applicant may request an evidentiary hearing either in writing not less than five days prior to the meeting or at the meeting itself.*
7. *If, during the term of the temporary license, the Executive Director determines that any particular applicant may have violated one or more of the conditions under which the temporary license was issued, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.*

Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation

6. Request for Approval of Modification of Contract for Sale of Business (Pursuant to Business and Professions Code section 19824(c)):

Aldo's Cardroom: ABA Properties, LLC
Waldo Esquivel, Sole Proprietor

Senior Legal Counsel Bolz indicated that staff recommended that the Commission approve the modification of contract for sale of business for Aldo's Cardroom, Item 6. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

7. Application for Approval for Initial State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19851):

- A. Aldo's Cardroom: ABA Properties, LLC
ABA Energy Corporation, Sole Member Alan Adler, Sole Shareholder

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the initial state gambling license from close of escrow through December 31, 2010 for Aldo's Cardroom, Item 7.A., with the following condition:

This license is conditioned upon the local gambling ordinance coming into compliance with the Gambling Control Act (Business and Professions Code section 19860(a)(5)) within 12 months of issuance.

Harlan Goodson, Designated Agent, commented on the City of Delano's gaming ordinance prohibitions concerning corporations and indicated that they are working closely with the City of Delano on amending the ordinance to come into compliance with the Gambling Control Act.

Norm Pierce, Assistant Chief, Bureau of Gambling Control, presented comments indicating that the Bureau recommended placing conditions on the license that would require the local ordinance be amended to allow a corporation to own and operate a gambling establishment and to specify the number of tables per cardroom.

Chairman Shelton moved to approve the initial state gambling license from close of escrow thorough December 31, 2010 for Aldo's Cardroom with the following conditions:

- 1. This license is conditioned upon the local gambling ordinance coming into compliance with the Gambling Control Act (Business and Professions Code section 19860(a)(5)) within 12 months of issuance.*
- 2. Local ordinance be amended to allow a corporation to own and operate a gambling establishment and to specify the number of tables per cardroom.*

The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

- B. Cameo Club Casino: Lewis and Lewis, Inc.
David and Margaret Lewis 1999 Family Trust
Margaret Lewis, Trustor/Trustee/Beneficiary

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve initial application for Margaret Lewis to be endorsed on the state gambling license. Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

8. Applications for Renewal of State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):

A. Garlic City Club: Ky Phuon, Sole Proprietor

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the renewal state gambling license for the period of January 1, 2009 through December 31, 2010 for Garlic City Club, Item 8.A. Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

B. La Fuerza: Eusebio Rodriguez, Sole Proprietor

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve a renewal of the state gambling license for the period of January 1, 2009 through December 31, 2010 for La Fuerza, Item 8.B. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

C. La Primavera Pool Hall and Café: Candelario Salas, Sole Proprietor

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the renewal state gambling license for the remainder of the licensure period from January 1, 2009 through August 31, 2009 for La Primavera Pool Hall and Café, Item 8.C., with the removal of the existing condition and placement of a new condition as follows:

The gambling establishment will send the Commission, no later than the 15th day of each month, documentation substantiating compliance with tax repayment obligations. The first report will be due in January 2009 continuing until repayment has been completed.

Commissioner Vuksich recommended adding documentation "from the IRS" to the condition.

Commissioner Shimazu moved to approve renewal of the state gambling license for the remainder of the licensure period from January 1, 2009 through August 31, 2009 for La Primavera Pool Hall and Café, Item 8.C., with the following condition:

*The gambling establishment will send the Commission, no later than the 15th day of each month, documentation **from the Internal Revenue Service** substantiating compliance with tax repayment obligations. The first report will be due in January 2009 continuing until repayment has been completed.*

The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

- D. Livermore Casino: Sidjon, Inc.
Sidney Ahn, Shareholder John W. Schireck, Shareholder
Sandra Schireck, Community Property Interest Holder

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve a renewal of the state gambling license for the period of January 1, 2009, through December 31, 2010 for Livermore Casino, Item 8.D. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

- E. The Mint: James Podergois, Sole Proprietor

Acting Deputy Director Littleton indicated that staff recommended that the Commission extend the renewal state gambling license for the period of January 1, 2009, through March 31, 2009 for The Mint, Item 8.D., continuing with the existing conditions which are:

1. *Prior to opening the new location, applicant must submit a business license, patron safety and security plan, and an emergency evacuation preparedness plan.*
2. *The Bureau of Gambling Control must conduct a site visit at the new location.*

James Podergois commented on issues he is having with the Porterville City Council regarding approval of a new location for his gambling establishment.

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

9. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):

- A. Lucky Derby Casino: Point Walker, Inc.
Kermit Schayltz, President Leo Chu, Chief Financial Officer/Secretary
Sandra Schayltz, Community Property Interest Holder
Ivy Chu, Community Property Interest Holder

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve four additional permanent tables for a total of 13 tables authorized on the license for Lucky Derby Casino, effective January 1, 2009. Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation

- B. Capitol Casino: Capitol Casino, Inc.
Clarke Rosa, President/Chief Financial Officer
Sandra Rosa, Secretary

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve four additional permanent tables for a total of 13 tables authorized on the license for Capitol Casino, effective January 1, 2009.

Rod Blonien, Designated Agent for Lucky Derby Casino and Capitol Casino thanked the Commission and Bureau for their quick action.

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

10. Applications for Initial Key Employee Personal Portable License (Pursuant to Business and Professions Code section 19854(d)):
Joseph Alan Nazarowski

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the initial application for the personal key employee license for Joseph Alan Nazarowski for the period of December 11, 2008 through December 31, 2010. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

11. Applications for Key Employee License – Request to Withdraw (Pursuant to Business and Professions Code section 19869):
Casino Royale: Touy Rajsavong Bret Whitmeyer

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve, without prejudice, the request for withdrawal of the applications for key employee licenses for the individuals listed in Item 11. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

12. Application for Work Permits (Pursuant to Business and Professions Code section 19912):
A. Napa Valley Casino: David Saldivar
B. Poker Flats Casino: Sao Her

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the applications for work permit for the individuals listed in Item 12. Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

13. Applications to Convert Gambling Business Player Registration to a License (Pursuant to Business and Professions Code section 19853 and California Code of Regulations, Title 4, section 12233):
Network Management Group, Inc.: Alexandra Reno
14. Applications to Convert Third Party Proposition Supervisor Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):
Certified Players, Inc.: Lee Jonas
15. Applications to Convert Third Party Proposition Player Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):
- | | | |
|-----------------------------------|-------------------|---------------------|
| A. Network Management Group, Inc. | | |
| Albert Acosta | Cheyenne Brashear | Georgina Cabrera |
| Janette Chavez- Arballo | Erwin Chua | Charles Cruz |
| Brittany Gomez | Sourdets Keosaeng | June Hee Kim |
| Johnny Ng | Trien Pham | Manifong Phommavong |
| Alexandra Reno | Josiah Segerquist | Adnan Shahab |
| Andy Truong | Loc Truong | Huaizhou Wang |
| Gary Wong | | |
| B. Pacific Gaming Services, LLC | | |
| Milena Goshorn | Michael White | Natalie Wright |
| Touradj Zarghami | | |
| C. Pacific Palace, Inc. | | |
| Yan Chen | Chansovanna Touch | |

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the applications to convert registration to a license for the applicants listed in Items 13 through 15. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

16. Applications for Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
United States Playing Card Company:
- | | |
|---|---------------------------------|
| John Capps, Sr. VP, General Counsel & Secretary | Michael Gross, Outside Director |
| Phillip Dolcimascolo, President | Richard Sansone, Sr. VP & Chief |
| Richard Heckmann, Outside Director | |
| Accounting Officer | |

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the Tribal-State Compact gaming resource supplier initial finding of suitability for United States Playing Card Company for the period of December 11, 2008, through June 30, 2009. Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and

Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

17. Adoption of Emergency Regulation Concerning Interim Approval of Bingo Card-Minding Devices for Filing with the Office of Administrative Law (Pursuant to Penal Code section 326.5(p)(3)(A) (SB 1369))

Jim Allen, Regulations Coordinator, indicated that staff recommended that the Commission: (1) adopt, and approve for filing with the Office of Administrative Law (OAL), the proposed emergency regulation, as shown in the December 10, 2008 draft; and (2) authorize staff to make any nonsubstantive changes in the file required by the Office of Administrative Law during its review.

David Fried, General Counsel/Owner, LIF Capital Group, commented regarding the timing of approvals for the card-minding devices.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

Incorporated into the minutes, as Attachment A is a copy of the December 10, 2008 draft regulations as approved by the Commission.

18. Tribal-State Gaming Compact Gaming Device License Draw (1999 Tribal-State Gaming Compact section 4.3.2.2)

Deputy Director Richard Ross indicated that staff recommended that the Commission approval the issuance of seventy-five (75) gaming device license as follows:

Robinson Rancheria – 50
Blue Lake Rancheria – 13
Middletown Rancheria - 12

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Shimazu, and Vuksich voting yes, the Commission approved the staff recommendation.

CONSENT CALENDAR ITEMS:

19. Applications for Initial Work Permit (Pursuant to Business and Professions Code section 19912):
A. Napa Valley Casino: Jaymie Kehr
B. The 101 Casino: Vanessa Clark
20. Applications for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):
A. Empire Sportsmen's Association: Anderson Dy
B. Merced Poker Room: Eddie Vargas

- C. Napa Valley Casino: Jangsoo Kim
- D. The 101 Casino: Adam Kelly

21. Applications for Initial Tribal-State Compact Key Employee Finding of Suitability
 (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians: Manuel Luna
- B. Barona Valley Ranch Resort - Barona Band of Mission Indians:
 Arben Qerkini Mark Sarmiento Michael Wylie
- C. Bear River Casino - Bear River Band of the Rohnerville Rancheria:
 David Leeper
- D. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the
 Santa Ynez Reservation:
 Adonis Felix Julian Rodriguez Christine Santi
 Brian Skinner Ryan Strange
- E. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa
 Indian Community of the Colusa Rancheria:
 Gao Yang
- F. Feather Falls Casino – Mooretown Rancheria of Maidu Indians: Thomas Bruno
- G. Harrah's Rincon – Rincon Band of Luiseno Indians: Raymond McIntosh
- H. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La
 Posta Indian Reservation:
 Frederick Raysser, IV
- I. Pala Casino – Pala Band of Mission Indians:
 Alan Barrientos Crystal Reyes
- J. Paradise Casino California - Quechan Tribe of the Fort Yuma Indian
 Reservation: Judith Apple
- K. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission
 Indians of the San Manuel Reservation:
 Susan Payne
- L. Soboba Casino - Soboba Band of Luiseno Indians: Kimberly Jiron
- M. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa
 Rosa Rancheria:
 Amorlina Houston Wayne Lantz
- N. Twin Pine Casino – Middletown Rancheria Band of Pomo Indians:
 Dorothy Adams
- O. Valley View Casino – San Pasqual Band of Digueno Mission Indians:
 Mehrzaad Mandegar Jose Tristan

22. Applications for Renewal Tribal-State Compact Key Employee Finding of Suitability
 (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
 David Forbes
- B. Chicken Ranch Bingo and Casino – Chicken Ranch Rancheria of Me-Wuk
 Indians:
 Dianne Burk Gaynelle Gomes
- C. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa
 Ynez Reservation:
 Beth Greene Elizabeth Navarro Crystal-Ann Perez

- Diana Roza Steven Salazar
- D. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Adrian Hernandez Karen Jones
- E. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwuk
Indians:
Helen Berry Lidia Judson Sung Kim
- F. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La
Posta Indian Reservation:
Melinda Castellano Marilyn Owens
- G. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the
Morongo Reservation:
Riritta Cirincione Gerrard Sapanero Robyn Swant
- H. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of
the Pechanga Reservation:
Allan Aromin Bruce Bobal Yu Chen
William Finnegan Ayman Hanna Sarah Kenyon
Hidenori Kigawa Lee Mitchell Phayvanh Nonesoung
Sengdeuanepheng Phommounivong Lloyd Rapay Leonila Rayson
Peter Seller George Vaughter, Jr.
- I. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
George Rojas Jonathan Turner
- J. Soboba Casino - Soboba Band of Luiseno Indians:
Robert Barnard Shawn Benson
- K. Thunder Valley Casino - United Auburn Indian Community of the Auburn
Rancheria:
William Anderson Phoungneune Borihanh Derek Cazares
Chamroeun Chheang Patricia Cun Bryan Delugo
Janet Donoho Vinh Duong Dennis Gaela
Jaylene Higgins Donald Hobson Garrett Hoey
Delita Munoz Ricky Saechao Vicky Saechao
Cristina Sierra-Rubio Cedric Valdemoro
- L. Viejas Casino & Turf Club - Viejas Band of Kumeyaay Indians:
John Rendon

Acting Deputy Director Littleton indicated that staff recommended that the Commission approve the Consent Calendar Items 19 through 22. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

PUBLIC COMMENT

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

ADJOURNMENT

Upon motion to adjourn the meeting by Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the meeting adjourned at 10:52 a.m.

CALIFORNIA GAMBLING CONTROL COMMISSION
 SPECIFIC LANGUAGE OF PROPOSED REGULATIONS
 INTERIM APPROVAL OF CARD-MINDING DEVICES
 CGCC-GCA-2008-E-4

TITLE 4. BUSINESS REGULATIONS.
 DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.

CHAPTER 8. BINGO.

ARTICLE 1. BINGO EQUIPMENT, DEVICES AND SUPPLIES.

Section 12482. Approval of Card-Minding Devices.

(a) Beginning January 1, 2009, any card-minding device that is used in the play of any bingo game, as described in subdivision (p) of section 326.5 of the Penal Code, shall be approved by the Commission in advance as meeting the requirements of section 326.5. An interim approval process is established to further the legislative intent of avoiding disruption of fundraising efforts by nonprofit organizations as expressed in Business and Professions Code section 19850.6. Until such time as the Commission establishes in regulation specific additional criteria for the approval of card-minding devices, interim approval may be obtained from the Commission pursuant to this section, subject to the following conditions:

(1) An interim approval shall be valid for one year from the date it is granted by the Commission or until regulations specifying additional criteria for card-minding devices become effective, whichever is later.

(2) An interim approval does not obligate the Commission to grant a regular approval and does not create a vested right in the holder to either an extension of the interim approval or to the granting of a subsequent regular approval.

(3) An interim approval does not in any way change the legal requirement that the applicant bears the burden of establishing that a specific device is manufactured to be used in compliance with all of the provisions of paragraphs (1) and (2) of subdivision (p) of section 326.5 of the Penal Code.

(4) Issuance of an interim approval concerning a specific card-minding device has no bearing on the question of whether the manufacturer of the device, or any affiliated person, will qualify for

issuance of any Commission permit, registration, or license. Any interim approval will be cancelled in the event that the manufacturer of the device is subsequently determined to be ineligible for licensure.

(5) If, during the term of an interim approval, it is determined that any particular card-minding device is not qualified for approval, the Executive Director shall prepare an order to show cause why that device's interim approval should not be cancelled. The manufacturer of the device shall be given at least 30 days, but not more than 90 days, to respond in writing. After receipt of the manufacturer's response, the matter shall be set for consideration at a noticed Commission meeting. The manufacturer may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing. Any evidentiary hearing shall be conducted in accordance with applicable provisions of subsection (b) of Section 12050 of this division.

(b) A specific model of card-minding device and its designated software version shall be deemed approved on an interim basis by the Commission if the following requirements are satisfied:

(1) The chief executive officer or other authorized representative of the business entity that manufactures the card-minding device certifies under penalty of perjury using the form "Application for Interim Approval of Bingo Card-Minding Device," CGCC-615 (New 11/08), which is attached in Appendix A to this chapter, that the specific model and its designated software version satisfies all the requirements set out in Penal Code section 326.5(p)(1)(A-D) and (2)(A-D). An application fee of \$50 for each specified model and its designated software version for which approval is being requested shall accompany the application.

(2) The Commission has issued an interim approval for the specified model and its designated software version, having found that the certification has satisfied the requirements of this section.

(c) Any material change in the software used in a previously approved card-minding device shall require application for approval of the subject model and its revised software version, as provided in subsection (b)(1), and approval by a designated member of the Commission staff.

(d) When using any card-minding device, players shall manually input or daub the ~~numbers or symbols~~ each individual number or symbol announced by a live caller into the

individual player-operated units or components of the device; automatic daubing shall not be permitted. Any card-minding device possessing automatic daubing capabilities shall have that capability disabled as a condition of approval.

(e) Each application for interim approval shall be reviewed and, if found to be complete and correct, shall be set for consideration at a noticed Commission meeting. If the application does not satisfy the requirements of this section, the manufacturer shall be provided a written list of deficiencies.

(f) For the purposes of Penal Code section 326.5 and as used in this chapter:

(1) "Automatic daubing" or "auto daub" means the input or recording, by any means or in any manner, of any number or symbol announced by a live caller in the play of any bingo game, into a card-minding device without manual action of the player.

(2) "Interim approval" means approval by the Commission of a card-minding device for use in the play of any bingo game based on a certification from the manufacturer that the device complies in all respects with the provisions of Penal Code section 326.5, subdivision (p), paragraphs (1) and (2).

(3) "Regular approval" means approval by the Commission of a card-minding device for use in the play of any bingo game based a finding that the device complies in all respects with the provisions of Penal Code section 326.5, subdivision (p), paragraphs (1) and (2), and any specific additional criteria established by the Commission in regulation subsequent to the effective date of this section.

Note: Authority cited: Sections 19840, 19850.5 and 19850.6, Business and Professions Code; Sections 326.3, 326.4 and 326.5, Penal Code. Reference: Sections 19850.5 and, 19850.6, Business and Professions Code; Sections 326.3, 326.4 and 326.5, Penal Code.

**APPLICATION FOR INTERIM APPROVAL
OF BINGO CARD-MINDING DEVICE**
CGCC-615 (New 11/08)



State of California
California Gambling Control Commission
2399 Gateway Oaks Drive, Suite 220
Sacramento, CA 95833-4231
(916) 263-0700; Fax: (916) 263-0452
www.cgcc.ca.gov

APPLICATION FOR INTERIM APPROVAL OF BINGO CARD-MINDING DEVICE

Pursuant to California Code of Regulations, Title 4, section 12482 and California Penal Code (PC) section 326.5(p)(3), the California Gambling Control Commission (Commission) shall approve in advance any card-minding device to be used in the play of any bingo game. Card-minding devices must meet all requirements indicated in PC section 326.5(p)(1)(A-D) and must not perform any of the functions indicated in PC section 326.5(p)(2)(A-D).

Send the completed *Application for Interim Approval of Bingo Card-minding Device* form with a \$ 50.00 application fee for each card-minding device model and its designated software version to: California Gambling Control Commission, 2399 Gateway Oaks Drive, Suite 220, Sacramento, CA 95833-4231. Please make all checks payable to the California Gambling Control Commission.

APPROVAL TYPE		
<input type="checkbox"/> Initial Approval		<input type="checkbox"/> Modification of Commission-Approved Device
SECTION 1a – MANUFACTURER BUSINESS INFORMATION		
Name of Business		
Principal Place of Business Address		
Mailing Address (if different than business address)		
Telephone Number ()	Fax Number ()	Website Address (if any)
Name of Contact Person		Title
Telephone Number ()	Fax Number ()	E-mail Address (if any)
SECTION 1b – MANUFACTURER LICENSE INFORMATION		
If additional space is needed, please attach a listing of the requested information on a separate sheet of paper.		
Has the business been licensed with any gaming agency including any other State, City, County, Federal, Country, or Tribal agency? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please list the gaming agency and the license, certificate, registration, etc. information below.		
Gaming Agency Name	License Number	Expiration Date

SECTION 2 – CARD-MINDING DEVICE INFORMATION

Complete the information below for each card-minding device model and its designated software version you are certifying as meeting the requirements indicated in PC 326.5(p)(1) and (2). Any material change in the software used in a previously approved card-minding device requires a modification approval. If you are requesting interim approval of more than four devices, please make an additional copy of this page and attach to the application.

Model Name	Model Number
Software (Firmware) Version	Software (Firmware) Build Date
Answer the following questions regarding the card-minding device model and its designated software version listed above.	
1. Is the model a hand-held, portable device?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has this model and software version been previously tested and certified by an independent laboratory? If yes, attach copies of certification documents.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is this device model and its designated software version capable of automatic daubing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Complete only if you answered "Yes" to question 3</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Can the automatic daubing function be disabled?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Model Name	Model Number
Software (Firmware) Version	Software (Firmware) Build Date
Answer the following questions regarding the card-minding device model and its designated software version listed above.	
1. Is the model a hand-held, portable device?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has this model and software version been previously tested and certified by an independent laboratory? If yes, attach copies of certification documents.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is this device model and its designated software version capable of automatic daubing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Complete only if you answered "Yes" to question 3</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Can the automatic daubing function be disabled?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Model Name	Model Number
Software (Firmware) Version	Software (Firmware) Build Date
Answer the following questions regarding the card-minding device model and its designated software version listed above.	
1. Is the model a hand-held, portable device?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has this model and software version been previously tested and certified by an independent laboratory? If yes, attach copies of certification documents.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is this device model and its designated software version capable of automatic daubing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Complete only if you answered "Yes" to question 3</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Can the automatic daubing function be disabled?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Model Name	Model Number
Software (Firmware) Version	Software (Firmware) Build Date
Answer the following questions regarding the card-minding device model and its designated software version listed above.	
1. Is the model a hand-held, portable device?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has this model and software version been previously tested and certified by an independent laboratory? If yes, attach copies of certification documents.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is this device model and its designated software version capable of automatic daubing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Complete only if you answered "Yes" to question 3</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Can the automatic daubing function be disabled?	<input type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 3 – CERTIFICATION / SIGNATURE

An authorized representative of the manufacturer must sign on behalf of the business.

I certify under penalty of perjury under the laws of the State of California that I have personally completed this form and know that the contents thereof, the information contained herein and in any attachments, is true, accurate, and complete. I also certify that any card-minding device and its designated software version indicated on this form meets the requirements of PC 326.5(p) and understand that the interim approval is subject to the following conditions:

- (1) An interim approval shall be valid for one year from the date it is granted by the Commission or until regulations specifying additional criteria for card-minding devices become effective, whichever is later.*
- (2) An interim approval does not obligate the Commission to grant a regular approval and does not create a vested right in the holder to either an extension of the interim approval or to the granting of a subsequent regular approval.*
- (3) An interim approval does not in any way change the legal requirement that the applicant bears the burden of establishing that a specific device complies with all of the provisions of paragraphs (1) and (2) of subdivision (p) of section 326.5 of the Penal Code.*
- (4) Issuance of an interim approval concerning a specific card-minding device has no bearing on the question of whether the manufacturer of the device, or any affiliated person, will qualify for issuance of any Commission permit, registration, or license. Any interim approval will be cancelled in the event that the manufacturer of the device is subsequently determined to be ineligible for licensure.*
- (5) If, during the term of an interim approval, it is determined that any particular card-minding device is not qualified for approval, the Executive Director shall prepare an order to show cause why that device's interim approval should not be cancelled. The manufacturer of the device shall be given at least 30 days to respond in writing. After receipt of the manufacturer's response, the matter shall be set for consideration at a noticed Commission meeting. The manufacturer may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing.*
- (6) Any card-minding device and its designated software version that possess an automatic daubing capability shall have that capability disabled.*

Name of Individual Completing this Application (typed or printed)

Title

Signature

Date