

## **GAMING POLICY ADVISORY COMMITTEE**

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### **MINUTES OF JANUARY 11, 2018 GAMING POLICY ADVISORY COMMITTEE MEETING**

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#### **OPEN SESSION**

1. Call to Order and Welcome – Stacey Luna Baxter, Executive Director

Executive Director Stacey Luna Baxter called the January 11, 2018, meeting of the Gaming Policy Advisory Committee (GPAC), to order at 2:40 p.m.

2. Roll Call of GPAC Members

Roll call of the Committee Members was taken. Joy Harn, Robert Jacobson, Haig Kelegian, Jr., William Liu, Darrell Miers, Yolanda Morrow, Troy Murphy, Keith Sharp, and Art Van Loon were present. Tom Hallinan was absent.

3. Approval of Meeting Minutes from October 12, 2017

Art Van Loon moved to approve the October 12, 2017 meeting minutes. Robert Jacobson seconded the motion and by consensus the Committee Members approved the minutes.

4. 2018 GPAC Members and Update of Member Listing

Stacey Luna Baxter announced that Darrell Miers, Keith Sharp, William Liu, Haig Kelegian, Jr., and Tom Hallinan were reappointed by the Commissioners to serve another term in GPAC.

5. Update and Discussion of Current Projects

- A. Surveillance Requirements (Sub-Committee Members: Darrell Miers and Troy Murphy)

Stacey Luna Baxter indicated that GPAC members have been provided with a copy (Attachment A) of the proposed regulatory language for surveillance requirements. This proposal will be presented to the Commission at a future Commission meeting. Ms. Luna Baxter further indicated that this project is now completed and will be removed from the agenda.

- B. Review of the Licensing Structure (Sub-Committee Members: Haig Kelegian, Jr. & Yolanda Morrow)

- Review and Discussion of proposed regulatory language

Stacey Luna Baxter stated that proposed language concerning the review of the licensing structure was distributed to GPAC members and no comments were received from the members. Following discussion by the members it was decided to incorporate the licensing structure ideas into the proposed regulatory clean-up project and to close this project.

C. GPAC Outreach (Sub-Committee Members: Art Van Loon and Tom Hallinan)

Art Van Loon indicated that California Gaming Association has a semi-annual meeting coming up and they can use this opportunity for further outreach. Mr. Van Loon stated that he would get together with Tom Hallinan to discuss ideas. Stacey Luna Baxter asked Mr. Van Loon to provide GPAC with some bullet points at the next GPAC meeting outlining their plan for further outreach.

D. Regulatory Clean-Up (Sub-Committee Members: Joy Harn and Keith Sharp)

- Review and Discussion of proposed regulatory language

Stacey Luna Baxter presented to GPAC the proposed clean-up regulations package prepared by Joy Harn and Keith Sharp for review and comments. Below is a summary of the sections in the package that were discussed during the meeting.

Section 12017(e) Yolanda Morrow expressed concerns that striking the word “*not*” in this section would result in giving an applicant who abandons their application a right to an evidentiary hearing. It was agreed by the members that this edit should be removed.

Section 12362(c) Robert Jacobson proposed replacing “*a problem or pathological gambler*” with “*individuals who have expressed a desire to stop gambling, or who are believed or suspected to be suffering harms from excessive gambling.*”

Section 12064(a) Keith Sharp expressed concerns with the current language in the regulation text regarding time limits for requesting reconsideration. Todd Vlaanderen reported that the Commission was aware of the issue and was reviewing potential changes to this section as part of another regulatory package.

Section 12200(b)(12)(B) Yolanda Morrow indicated that she thought the suggested revisions in this section may conflict with statute. She stated that statute requires all employees of Third-Party Proposition Providers to wear a badge when in a gambling establishment.

Section 12200(b)(28) Yolanda Morrow expressed concerns with striking out “*oral, or implied*” in this section.

Section 12200.16(a) Robert Jacobson stated that he thought the addition of “*regular business hours*” needed to be better defined.

Section 12345(g) Stacey Luna Baxter expressed concerns that the term “material change” as used in this section, needed to be defined.

Section 12395(3) Yolanda Morrow indicated that the Bureau may have additional incident types they want to add to the reporting requirement.

Stacey Luna Baxter indicated that Commission staff will look at the clean-up regulations package to see what can be incorporated into the regulations that they are working on. If staff has any questions or concerns with some of the proposals it will be brought back to GPAC.

E. Marketing Group Review (Sub-Committee members: Keith Sharp and Yolanda Morrow)

Keith Sharp gave an update on the project. He indicated that he and Yolanda have been working on drafting language and their first focus is on defining what a marketing or promotional group is. They hope to present GPAC with a definition for discussion at the next meeting.

6. Discussion of Future Agenda Item Topics

None

7. Next Meeting

It was decided that the next GPAC meeting would be scheduled on February 22, 2018, at 1:30 p.m.

8. Public Comment

None.

Adjournment

The meeting adjourned at 3:55 p.m.

## ATTACHMENT A

### 12396. Surveillance.

(a) The policies and procedures for all Tiers ~~shall~~ must meet or exceed the following standards for surveillance:

(1) Licensees ~~shall~~ must install and maintain, on site in their gambling establishment, a surveillance system, with video recording and closed circuit television (CCTV) monitoring capabilities, to record critical activities related to the licensees' gambling operations. The surveillance system must record with reasonable coverage and clarity, at a minimum, the gambling operation, the payment of player drop fees, card values, wagers, game outcomes, the collection of drop boxes, the drop count processes, cage and cashier activities, gambling equipment storage areas, except for furniture storage areas, and the interior of gambling establishment entrances and exits. The video recording equipment ~~shall~~ will include date and time generators which ~~shall~~ display the current date and time of recorded events on videotape or digital recordings. The displayed date and time ~~shall~~ must not significantly obstruct the view of recorded images. The surveillance system may have remote, off-site access capabilities, but only ancillary to any on-site systems required by this section.

(2) All surveillance recordings ~~shall~~ will be made in real time mode, or at a speed sufficient to capture and record with reasonable completeness the actions of all individuals being observed; ~~except that any recordings of the gambling establishment parking areas, and the gambling establishment entrances and exits may be recorded in time lapse mode, at a minimum speed of 15 frames per second.~~

(3) All video surveillance cameras ~~shall~~ must be installed in a manner that prevents them from being intentionally obstructed, tampered with or disabled by patrons or employees, to the extent reasonably possible. All recording and monitoring equipment ~~shall~~ will be located in secure rooms or areas of the gambling establishment so that access is controlled.

(4) The surveillance system operation shall be checked daily to ensure that all surveillance equipment is functioning properly and reasonable efforts shall be made to repair malfunctioning surveillance equipment within 72 hours of the discovery of the malfunctions.

(5) ~~If a~~ A digital video recordering (DVR), network video recorder, (NVR) or equivalent system ~~will~~ is be utilized, ~~the system shall meet~~ meeting the following standards:

(A) The DVR/NVR system ~~shall~~ must have a failure notification system that, at a minimum, provides a visual notification of any failure in the surveillance system or the DVR/NVR media storage system.

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1 (B) The DVR/NVR system ~~shall~~ must have a media storage system that is configured so that  
2 a failure of any single component will not result in the loss of any data from the media storage  
3 system.

4 (C) The DVR/NVR system ~~shall~~ must have the capability to reproduce or copy all or any  
5 portion of the stored data from the media storage system to a digital video disk (DVD) or a  
6 portable digital storage device.

7 (D) A single DVR/NVR system ~~shall~~ must not have more than 8 cameras required by the  
8 standards of this section, unless the DVR/NVR system has an appropriate backup system to  
9 ensure that there is no loss of data in the event of a failure of the primary DVR/NVR system or  
10 any single component of that system.

11 (6) Videotapes or other recording media ~~shall~~ will be marked or coded to denote the activity  
12 recorded.

13 (7)~~(A)~~ Unless otherwise requested by the Bureau, all recordings ~~shall~~ must be retained for a  
14 minimum of fourteen ~~seven~~ complete days of operation, except that recordings that are  
15 determined by the Bureau or a law enforcement agency to be of evidentiary value ~~shall~~ will be  
16 retained for a period specified in writing by the determining agency. Recordings of any criminal  
17 offense subject to reporting pursuant to paragraph (3) of subsection (a) of Section 12395 ~~shall~~  
18 will be retained indefinitely, or until the Bureau authorizes their disposal.

19 ~~(B) Subsection (f) notwithstanding, the seven day retention period specified in subparagraph~~  
20 ~~(A) shall be increased to 14 days no later than June 1, 2013.~~

21 (8)~~(A)~~ For the purpose of enforcing the provisions of the Act, this division, or Division 3 of  
22 Title 11 of the California Code of Regulations, Bureau staff, with the approval of the chief or  
23 authorized representative, may, at any time during the gambling establishment's actual hours of  
24 operation, demand immediate access to the surveillance room and any area of the gambling  
25 establishment where surveillance equipment is installed or maintained or where surveillance  
26 video recordings are stored, and such access ~~shall~~ will be provided by the licensee or the  
27 licensee's authorized representative.

28 (B) The Bureau may, pursuant to subparagraph (D) of paragraph (1) of subdivision (a) of  
29 section 19827 of the Business and Professions Code, take custody of and remove from the  
30 gambling establishment the original of any video recording, or a copy of any digital recording,  
31 required to be made and maintained pursuant to the Act or this division. Any surveillance video  
32 recording that is in the custody of the Bureau pursuant to this paragraph may be disclosed by the  
33 Bureau only when necessary to administer or enforce the provisions of the Act, this division, or

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1 Division 3 of Title 11 of the California Code of Regulations or when necessary to comply with a  
2 court order. Upon reasonable request of the licensee or the licensee's authorized representative, a  
3 copy of the recordings ~~shall~~ will be made and left on the premises if copying equipment is  
4 available to enable Bureau staff to make copies. If copying equipment is not available to Bureau  
5 staff, upon reasonable request of the licensee or the licensee's authorized representative, a copy of  
6 the recordings will be provided to the licensee at the licensee's expense, unless the Bureau  
7 expressly waives its costs of providing the copies.

8 i. Digital copies will be a clear representation of the original without significant degradation  
9 in quality.

10 ii. The licensee will provide the Bureau with any software necessary to view the digital  
11 copies.

12 (9) Licensees ~~shall~~ must prominently display in a place and manner conspicuous to all  
13 patrons entering and exiting the gambling establishment, a sign containing the following  
14 statement printed in bold lettering of sufficient size to be visible and readable: "All Public Areas,  
15 Entrances and Exits of This Establishment are Subject to Surveillance and Video Recording."  
16 The lettering and background ~~shall~~ must be of contrasting colors, and the sign ~~shall~~ will comply  
17 in all respects with applicable signage requirements, if any, of the local jurisdiction.

18 (b) In addition to the requirements of subsection (a), the policies and procedures for Tiers II  
19 through and including V ~~shall~~ must meet or exceed the following standards for surveillance:

20 (1) The surveillance system ~~shall~~ must have dedicated cameras to monitor and record  
21 entrances and exits with sufficient clarity to afford reasonable opportunity to identify any person  
22 entering and exiting.

23 (2) The surveillance system ~~shall~~ must have a sufficient number of cameras dedicated to  
24 gambling tables to be capable of viewing and recording, with reasonable coverage and clarity,  
25 patrons, dealers, wagers, cards, and game outcome at each table. For the purposes of this  
26 paragraph, an overhead view of patrons and dealers is acceptable. This paragraph ~~shall~~ will not  
27 apply to demonstration or instructional tables, when cash or prizes are not being wagered, won or  
28 lost.

29 (3) The surveillance system ~~shall~~ must include an audio recording of, at a minimum, any  
30 areas of the gambling establishment that are used for vault or count room functions.

31 (c) In addition to the requirements of subsections (a) and (b), the policies and procedures for  
32 Tiers III through and including V ~~shall~~ must include standards for surveillance that require the  
33 surveillance system to include coverage and recording with sufficient clarity to provide

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1 opportunity to obtain a description of vehicles entering and exiting all adjoining parking areas  
2 owned, operated or otherwise controlled by the licensee for use by its patrons.

3 ~~(d) In addition to the requirements of subsections (a), (b) and (c), the policies and procedures~~  
4 ~~for Tier IV shall include a requirement that, during all hours of operation, a gambling~~  
5 ~~establishment owner or key employee be on duty who has the ability to access live video from~~  
6 ~~surveillance cameras and previous surveillance video recordings.~~

7 (d)(e) In addition to the requirements of subsections (a), (b), and (c) ~~and (d)~~, the policies and  
8 procedures for Tiers IV and V ~~shall~~ must meet or exceed the following standards for surveillance:

9 (1) Licensees ~~shall~~ must establish a surveillance unit separate and apart from the security  
10 department. The head of the surveillance unit and all surveillance unit personnel shall be  
11 independent of the security department and have no other gambling-related duties.

12 (2) Licensees ~~shall~~ must establish and maintain a separate surveillance room that meets or  
13 exceeds the following requirements:

14 (A) The surveillance room ~~shall~~ must have controlled access through a secured door or doors,  
15 which ~~shall~~ must be under constant recorded video surveillance.

16 (B) No entrance or exit door of a surveillance room ~~shall~~ will be readily observable or  
17 accessible from the gambling operation area.

18 (3) Routine access and entry into the surveillance room ~~shall~~ must be limited to on-duty  
19 employees of the surveillance unit assigned to monitor gambling operations. Owners, managers  
20 and other employees of the gambling establishment who hold a valid gambling license or work  
21 permit may be granted access to the surveillance room for the purpose of performing their duties.  
22 Other persons may be granted limited access to the surveillance room for educational,  
23 investigative or maintenance purposes, if accompanied at all times by a surveillance unit  
24 employee.

25 (4) At least one surveillance employee ~~shall~~ must be present in the surveillance room and  
26 actively monitoring the gambling operations, via the surveillance room equipment, during all  
27 hours of operation, except that the surveillance room may be unattended for no more than a total  
28 of one hour during any shift or eight-hour period to allow for required meal and rest breaks for  
29 staff. No controlled gambling may take place when a surveillance employee is not present and on  
30 duty in the gambling establishment, whether on a break or not.

31 (A) Notwithstanding the provisions of paragraph (4) of subsection (d), a tier IV licensee  
32 may utilize a contingency plan previously approved by the Bureau to use a key or non-key  
33 employee to fulfill this requirement when due to unforeseen exigencies a Surveillance employee

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1 is unavailable. The gambling establishment must notify the Bureau in writing within five (5) days  
2 after utilizing the contingency option.

3 (5) Count room surveillance ~~shall~~ must include closed circuit television (CCTV) monitoring  
4 and video recording.

5 (6) Licensees ~~shall~~ must maintain a record of all surveillance activity in the surveillance  
6 room, by surveillance period or shift, in a surveillance activity log. The surveillance activity log  
7 entries ~~shall~~ must be made by on-duty surveillance personnel and shall include, at a minimum, the  
8 following:

9 (A) The date and time of commencement of the surveillance period or shift;

10 (B) The printed name(s) of the person(s) conducting the surveillance;

11 (C) The date and time of termination of the surveillance period or shift;

12 (D) A summary of the results of the surveillance, including a notation of the time of recording  
13 of any event, activity, occurrence, process or procedure that was monitored during the  
14 surveillance period or shift, whether the recording or monitoring was required or not;

15 (E) A notation of the time of the discovery or occurrence of any equipment or camera  
16 malfunctions during the surveillance period or shift;

17 (F) A notation of the time of the correction or repair of any equipment or camera  
18 malfunctions occurring during the surveillance period or shift, if corrected or repaired during that  
19 period or shift;

20 (G) A notation of the time of the correction or repair of any equipment or camera  
21 malfunctions discovered and noted in a previous surveillance period or shift, if corrected or  
22 repaired during the current period or shift;

23 (H) A notation of the time of occurrence of any medical emergency event or law enforcement  
24 event, including any incident number generated by the responding entity, if available;

25 (I) A notation of the time(s) of drop box collection occurring during the surveillance period or  
26 shift;

27 (J) A notation of the time of drop count procedure(s) occurring during the surveillance period  
28 or shift; and,

29 (K) A notation of the times of patron disputes occurring during the surveillance period or  
30 shift that requires the intervention of the security department, if any.

31 (7) Each gambling table must have a dedicated camera, meeting the requirements of  
32 paragraph (2) of subsection (a), providing clear surveillance coverage of all controlled gambling  
33 at all hours of operation. In addition, one Pan/Tilt/Zoom (PTZ) camera must be installed for



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1 every ten or fewer authorized tables present in any gambling operations area of the gambling  
2 establishment. A reasonable attempt must be made to pan the faces of patrons and dealers for  
3 identification at least once per work shift of surveillance unit employees.

4 ~~(d)~~(e) Licensees must establish and implement the applicable standards for surveillance  
5 specified in subsections (a) through and including ~~(d)~~(e) within 12 months following the  
6 effective date.

7 Note: Authority cited: Sections 19840, 19841 and 19924, Business and Professions Code. Reference:  
8 Sections 19827, 19841, 19922 and 19924, Business and Professions Code.

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