

GAMING POLICY ADVISORY COMMITTEE

2399 GATEWAY OAKS DRIVE, SUITE 220

SACRAMENTO, CA 95852-4231

(916) 263-0700 · FAX (916) 263-0499

WWW.CGCC.CA.GOV

MINUTES OF MAY 24, 2022

<u>Primary Location</u>	<u>Satellite Location</u>
<p><u>Northern California (Sac)</u> California Gambling Control Commission 2399 Gateway Oaks Drive Hearing Room 100 (first floor) Sacramento, CA 95833</p>	<p><u>Southern California (LA)</u> The Reef 1933 S. Broadway Suite 1146 Los Angeles, CA 90007</p>

OPEN SESSION

1. Welcome and Call to Order

Executive Director Stacey Luna Baxter called the May 24, 2022 meeting of the Gaming Policy Advisory Committee (GPAC) to order at 1:30 p.m.

2. Roll Call of GPAC Members

Roll call of the Committee Members was taken. Daniela Cicu, David Fried, Linda Graves, Anita Johnson, Emmanuel Macalino and Art Van Loon were present at the Northern California, Sacramento location. Luis Jaramillo and Jieho Lee were present at the Southern California, Los Angeles location. John Choo and Yolanda Morrow were absent.

3. Review and Approval of March 31, 2022 Meeting Minutes.

David Fried moved to approve the March 21, 2022 meeting minutes. Emmanuel Macalino seconded the motion which was unanimously approved by a roll call vote of the members.

4. GPAC Reminders

Stacey specified the importance of timely response from members regarding scheduling meetings and reminded GPAC that sub-committee project documents should be provided to Commission staff, Niecesha Williams, three weeks prior to the scheduled GPAC meeting.

5. Update on Preparation and Career Training (PACT) Program – Jieho Lee and Knighted Ventures Amy Baker

GPAC member Jieho Lee and Knighted Ventures associates Amy Baker, Susanna Sheehan, and Lee Banquerigo provided a presentation on the Preparation and Career Training (PACT) program. They had just completed a six-week pilot program and shared with GPAC a reporting on that initial program. The PACT program partners with Covenant House to provide life and career skills to at risk youth.

6. Current Projects:

A. Work Permit Project – Status Update (Sub-Committee Members: Luis Jaramillo and Yolanda Morrow)

Sub-Committee member Luis Jaramillo provided a summary of the work permit project. He indicated that the project's intent is to track individuals who are believed to have committed an unprosecuted but investigated theft at a cardroom and arrange for a notification system to provide warning to the industry prior to hiring such individuals. Luis further outlined a timeline of the project's discussions and concerns to date.

David Fried suggested a process similar to the Involuntary Exclusion process in that the cardroom would file an incident report with the Bureau and either the Bureau or Commission would make the decision of placement of individuals on the list. The individual would be notified of the decision and have a right to appeal the decision and have a hearing.

Following discussions it was decided to keep the scope limited to financial crimes.

Luis indicated that he will discuss with Yolanda and have an update at next meeting.

B. Dual Licensure within Cannabis and Control Gambling Industries Project (Sub-Committee Member: Jieho Lee)

Stacey informed GPAC that she had previously distributed to them the memo that was provided by Jieho and prepared by Tiffany Lichtig on dual licensure. Stacey indicated that the project scope was to take a look at individuals having dual licenses in cannabis and gaming because of the financial restrictions that exist because cannabis is illegal under Federal law.

Sub-Committee member Jieho Lee indicated that he had discussed this project with the Bureau and their concerns were the comingling of funds and in particular insuring that the cage was not used to bank or launder any funds from the cannabis industry.

There were discussions among GPAC about not wanting to support onerous regulation because the cannabis industry is a legal industry in the state and that simply developing regulations that safeguard the comingling of funds may be sufficient.

David Fried agreed to help Jieho as a sub-committee member on the project. Stacey asked that they prepare a final recommendation for GPAC's consideration and vote at the next meeting.

Chris Sieroty commented on the project and inquired if the documents mentioned will be made available to the press. Stacey suggested that Chris submit a Public Records Act request to the Commission for the documents.

C. Modification of GPAC Selection Criteria Project (Sub-Committee Members: Anita Johnson and David Fried)

Stacey informed GPAC that she had previously provided to them revisions made to the GPAC selection criteria project document. Sub-Committee member David Fried explained the three changes that the subcommittee had made and Stacey discussed the proposed changes to the selection process portion.

David Fried moved that the completed project be sent to the Commission with GPAC's recommendation that the form be adopted to reflect the policy changes for GPAC appointments. Art Van Loon seconded the motion which was unanimously approved by a roll call vote of the members present.

D. Review and Discussion of Key Employee Definition and Supervisory Capacity Project (Sub-Committee Members: Yolanda Morrow and Daniela Cicu)

Stacey informed GPAC that she had previously provided to them a proposed regulatory definition for Key Employee that was prepared by Sub-Committee members Yolanda Morrow and Daniela Cicu.

Sub-Committee member Daniela Cicu provided an overview of the proposed draft regulation definition to GPAC.

David Fried offered some suggested changes to the draft regulation for supervisory capacity, which included: add with regard to gaming operation, after means having the authority to, and replace in the interest of the employer with on behalf of the owner licensee. David also suggested using the term unrestricted judgment in the definition for discretionary decisions. Additional discussion among the members included a floor person and their responsibilities and whether "create schedules" should be removed from the supervisory capacity list. Daniela indicated that GPAC members could send their suggested revisions to her and Yolanda and they will have a revised version for further consideration at the next meeting.

E. GPAC Outreach Project (Sub-Committee Member: Emmanuel Macalino)

Sub-Committee member Emmanuel Macalino presented a brief outline and discussed objectives of the program that he refers to as an Active Outreach Program. He indicated that the main objective is to increase participation from the public and other industry members by actively engaging with the stakeholders and

soliciting their concerns and comments that may benefit from GPACs review and discussion. Emmanuel indicated that he views this as an ongoing project where members of GPAC actively contact the industry. These field representatives will be surveying the industry to learn what issues or concerns they have that can be appropriately discussed at GPAC. The members discussed creating a list of the items that fall under GPAC's purview. This list can be included in an email that will be sent to the industry to inform them of the GPAC outreach project.

7. Discussion of New Agenda Items for Next Meeting

Stacey indicated that an item she will be adding to the next GPAC agenda will be on project documentation and how to handle the release of documentation on the website prior to meetings.

Emmanuel suggested adding an agenda item for the discussion on educating youth on problem gambling.

Emmanuel suggested adding an agenda item for the discussion of cashless gaming.

8. Next Meeting

(Item 8 was heard after Item 4) The next GPAC meeting was tentatively set for June 28, 2022 at 1:30p.m.

9. Public Comment

None.

ADJOURNMENT

The meeting adjourned at 4:03 p.m.