



# INDUSTRY MATTERS

Volume 1, Issue 1  
September, 2014



## WHY THIS MATTERS

### Introduction from Chairman Rick Lopes



This newsletter is the result of our recently completed Strategic Plan and goal setting. The Commission used CPS HR Consulting to objectively guide us through the process of developing the "Vision, Mission and Values" for the Commission.

During the research phase we reached out to you, our stakeholders, with a survey and tried in a number of visits to find out what was

on your minds and what you thought about gambling regulation in California. We also did some serious self-examination while going through the process. We wanted to make this venture relevant and have goals that were achievable. In the end, we came up with a two-year plan that had two main goals:

**Goal #1** - Increase proactive communication and relationship-building with the CA Gaming Community.

**Goal #2** - Further increase Public Hearing Effectiveness by ensuring that Commissioners have timely and relevant information as provided by a more efficient communication, planning and consultation process driven by CGCC staff.

A number of you asked for better communication from the Commission. This newsletter is part of the process to achieve Goal #1. The newsletter seemed to be a logical tool since not everyone tweets, emails or follows Facebook.

We will be distributing the newsletter to those on the agenda subscription list, a supplementary email list, and by mail to those who prefer the postal service. It will also be posted on our Website.

We hope this will make it easier to know about upcoming workshops and changes in the law while providing other information that can impact you. We will continue to explore other ways to keep the lines of communication open.

### Inside this issue:

Making Contact	2
Macau Visitors	2
Stones Opening	3
Scoring Points	3
What is GPAC	4

### Upcoming Dates

- Tribal State Association Meeting August 28, 2014.
- Last day for each house to pass bills in California Legislature is August 31, 2014.
- Commission Meetings: September 11, 2014  
September 24, 2014
- Regulation Adoption Hearing September 23, 2014.

## THINGS ARE DIFFERENT NOW

### Executive Director Tina Littleton on the State of the Commission

The Gambling Control Commission (Commission) is a different entity and a different place than it was a little over a year ago. Many of those changes were enacted when the Govern-

nor's Reorganization Plan No.2 (GRP No.2) went into effect and half of the Commission staff and functions were transferred over to the Department of Justice, Bureau of Gambling Control (Bureau). While I was focusing on how the Commission would operate after the re-

organization, I was notified that three of the Deputy Directors from my executive team would be leaving. Former Chief Counsel Joe Dhillon was appointed as the Tribal Advisor to Governor Brown; and, former Deputy Directors

*Continued page 2*



# MAKING CONTACT (WHO DOES WHAT) COMMISSION? OR BUREAU?

## COMMISSION

California Gambling Control Commission  
2399 Gateway Oaks Drive, Suite 220  
Sacramento, CA 95833  
(916) 263-0700

- Approves licenses, registrations and findings of suitability.
- Sets policy.
- Develops & approves regulations.
- Serves as the trustee of the Tribal Revenue Sharing Trust Fund & administrator of the Tribal Special Distribution Fund.
- Conducts Tribal Gaming Device License Draws.
- Reviewing body at evidentiary hearings and Commission meetings.
- Questions about upcoming appeals, hearings or requests to remove conditions should be submitted to the Commission in writing.

## BUREAU

Bureau of Gambling Control  
4949 Broadway, Suite E-231  
Sacramento, CA 95820  
(916) 227-3584

- Conducts all financial review inspections, device testing, investigations and Tribal casino visits.
- Receives all applications, fees, and deposits (i.e. cardrooms, Tribal, Third Party, and Remote Caller Bingo.)
- Handles questions about licensing (backgrounds, initials, renewals) or compliance matters (inspections, audits or Minimum Internal Control Standards - MICS).
- Enforcement or game legality issues.

Scholars from the Macao Polytechnic Institute visited the Commission on July 1, 2014 while on a tour of California Gaming operations.



*Pictured: Commissioner Richard Schuetz, Chairman Rick Lopes, Assistant Bureau Chief, Stacey Luna-Baxter, with Wang Changbin and Zhonglu Zeng of Macao Polytechnic Institute]*

To find out about upcoming Commission meetings and workshops sign up for notifications at:

<http://www.cgcc.ca.gov/>

[Click the Meetings tab followed by the Agenda Email Subscription link](#)

## CONT. FROM PAGE 1 EXECUTIVE DIRECTOR

Marianne Estes (Licensing) and Karen Cotton (Administration) retired at the end of December 2013.

The reorganization and three new executive team members allowed for a redefined purpose and altered the Commission's direction and gave us the opportunity to rebrand ourselves.

Also, the reorganization redirected my attention to concentrate on the remaining areas of responsibility like

promulgating regulations and setting new policy. It allowed me the time to look closer at issues that are of concern to the public and stakeholders and evolve to be ready for innovations in the industry.

At the Commission, we continue to work closely with our partners at the Bureau to ensure the integrity in California's gaming environment. The Bureau's enforcement perspective and the Commission's view as a policy maker are part of a growth process. Good governance includes

exploring issues with respectful and honest conversation.

California is one of the largest gambling states in the country and again ranks as the eighth largest economic power in the world. The State's spirit of innovation provides us with a unique position in a complex world.

## SOMETHING NEW - (AN EASY BUTTON)

California Tribes that are required to make quarterly payments into any of the funds defined in their Tribal/State Compacts have a new option for making payments.



The new process allows for a more secure handling of the payments and expedites the payment processing.

The Commission has implemented an electronic process that allows the quarterly revenue contributions to be made in a bank-to-bank wire transfer.

Several Tribes have already signed up; and any other interested Tribes can contact the Commission for more information.

### Online Tribal Resources

The Commission is constantly updating it's Tribal resource section to provide easy access to a library of information.



The resources include: all of the Tribal-State Compacts, current reports on Tribal funds, Executive Orders, regulations, casinos and a list of recognized Tribes. All of the information is just a

[click away.](#)



## COMMISSIONER REAPPOINTMENTS

Governor Brown announced the re-appointment of Commissioners Conklin and Hammond on March 2, 2014. The State Senate unanimously approved the appointments on August 14, 2014.

**Commissioner Conklin** was initially appointed in 2010 and serves as the Attorney Member. Prior to her appointment, Commissioner Conklin served nine years in the California Legislature and as an adjunct professor for Golden Gate University where she taught administrative law and judicial governance. Her term will expire December 31, 2016.



will expire on December 31, 2017.

**Commissioner Hammond** serves as the Governmental Experience Member and was initially appointed on April 11, 2011. She has served as a Sacramento City councilmember for more than a dozen years and served as a consultant to the Legislature /Senate from 1981 to 2004. Her Term



A delegation from the National Gambling Control Commission, Korea visited the Commission in Sacramento on August 11, 2014 to “research developed policies regarding enhancing responsible gambling and learn the current state of gambling industry in CA.” Commission, Bureau and Office of Problem Gambling representatives met with Mr. Kim, Ha Joong (Commissioner, Delegate) Mr. Kim, Jong Seon (Secretary) Mr. Han, Jung Suk (Chief Superintendent), Mr. Kim, Hyunjin (Attorney).

## GRAND OPENING AT STONES IN CITRUS HEIGHTS



**Stones Gambling Hall** celebrated its grand opening on July 11, 2014 with Chairman Lopes and Commissioner Hammond among those in attendance. The complex is the result of two licenses (Lucky Derby and Phoenix) adjacent to each other under one roof. This is the first gambling establishment venture for managing member, Ryan Stone (King’s Casino LLC, La Jolla) with the guidance of Partners Kermit D. Schayltz (Lucky Derby), Bob Lytle, and Masis Kevorkian.

## SCORING POINTS AT A COMMISSION MEETING

**There are a number of things that can smooth the license consideration process before the Commission.**

**Submit all of your paperwork early** to the Bureau. This avoids delays and eliminates the need for back and forth communications.



**Be forthcoming.** Do not omit information from the application and background check because it seems old, may not apply or might make you look bad.

**Be Brief and to the Point during a Commission meeting.** The Commissioners, staff and audience don’t always appreciate the personal background stories.

**Get help with your presentation.** If you are uncertain about what to say, a representative or partner can sometimes make a clearer presentation than if you acted alone.



Commissioner Conklin at the Commission’s new podium that can accommodate two speakers.

## CALIFORNIA GAMBLING CONTROL COMMISSION

2399 Gateway Oaks Drive, STE 220  
Sacramento, CA 95833-4231  
Phone: (916) 263-0700  
www.cgcc.ca.gov



Comments, suggestions, questions or ideas for future articles or newsletter topics can be submitted directly to the Commission at the address above or by emailing them to [pmares@cgcc.ca.gov](mailto:pmares@cgcc.ca.gov).

## WHAT IS GPAC?

**GPAC or The Gambling Policy Advisory Committee** was authorized under Business & Professions Code 19800 – 19987 Division 8, Chapter 5, Articles 1 - 17 (Gambling Control Act).

It is made up of 10 members who act in an advisory capacity to the Commission. GPAC is composed of representatives of controlled gambling licensees and members of the general public in equal numbers. Members include cardroom operators, law enforcement, and Bureau representatives. The current committee has been working on issues like paperwork reduction and surveillance equipment standards. GPAC handles only card room issues and may not advise the Commission on Indian gaming. Applications to become a GPAC member are accepted and kept on file for future vacancies.

For more application information contact the Commission at:

<http://www.cgcc.ca.gov/>

[And click on the GPAC tab](#)



*Commissioners and Commission staff are regular participants at industry events such as the 13<sup>th</sup> annual Global IGaming Summit and Expo (GIGse) held in San Francisco. Commissioner Schuetz (pictured above left) moderated the July 14, 2014 GIGse panel on “Creating a Roadmap for Regulatory Harmonization.”*