



INDUSTRY MATTERS

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THE COMMISSION WELCOMES ITS NEWEST COMMISSIONER GARETH LACY



On August 6, Governor Jerry Brown announced the appointment of Gareth Lacy to the California Gambling Control Commission. On August 27, Commissioner Lacy was confirmed by the California State Senate. Commissioner Lacy served as a deputy press secretary in the Governor's Office since 2015, where he was also a senior research associate from 2011 to 2012. The following Q&A will give us all an opportunity to better know our newest Commissioner:

What about the Commission attracted you to this position?

Gambling employs tens of thousands of hardworking people and generates significant revenues for governments, but it can only thrive if the public has confidence in the system's fairness and transparency, which comes from effective regulation and oversight. I'm interested in showing how the work of government, and government regulation in particular, does not hinder business and can actually help it thrive. Clearly, this is the case with gambling, where the public's confidence in the fairness and integrity of the gambling operation is vitally important to the industry's success. In short, I wanted to be a part of California's effort to deploy effective regulation and oversight to protect the public in an industry that contributes to our economy—and the Commission was a perfect place to do just that.

What are some insights from your previous experience that will aid you in your new role?

As an attorney, I'm trained to clearly identify legal or regulatory issues, study the rules that apply to those issues, apply them, and then reach an informed conclusion that is supported by evidence and the law. These skills are particularly important for a Commission that is taking action on applications for licenses and work permits, conducting evidentiary hearings, and promulgating regulations. My government experience in communications and public affairs will also help the Commission ensure that the information it provides to the public and stakeholders is clear, concise, and intelligible. This is important for transparency and effective regulation.

What are some of your goals as a Commissioner?

My primary goal is to strongly support the Commission's existing objectives and goals detailed in the Strategic Plan: (1) exceptional customer service, including understanding what licensees need, and delivering timely and accurate information; (2) enhancing our knowledge of gaming; (3) helping ensure efficiency; (4) embracing technology to improve public access and transparency; and (5) fiscal integrity. I want to ensure that the public continues to have justified confidence in the integrity of gaming in California because of the regulatory structure. I also want to ensure that stakeholders and regulated industries are heard. This is a complex industry, and it is important to hear from the people impacted by our regulations and our processes to ensure they have meaningful opportunities to voice concerns, share information, and communicate in an appropriate manner.

Perhaps most importantly: what do you like to do for fun?

I enjoy gardening, working outside, studying, and protecting native Californian plants. Most of my free time is spent enriching the lives of my two small children with trips to parks, libraries, and other adventures around the Golden State. On the rare occasions I have time to myself, I enjoy backpacking, fishing, hunting, and taking in the great outdoors.

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CGCC Calendar

Upcoming Licensing Meetings

October 4
October 18
November 1
November 15
November 29
December 13

Gaming Policy Advisory Committee

November 15 (1:30 p.m.)

Regulations Workshop

November 1
(Advertising Regulations)

Upcoming State Holidays (Office Closed)

November 12 (Veterans Day observed)
November 22-23 (Thanksgiving)
December 25 (Christmas)

California Gambling Control Commission

Chairman

Jim Evans

Commissioner

Paula LaBrie

Commissioner

Gareth Lacy

Commissioner

Trang To

Commissioner

Vacant

Executive Director

Stacey Luna Baxter

Chief Counsel

R. Todd Vlaanderen

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Deputy Director, Licensing Division

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Deputy Director, Administration Division

Alana Carter

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Fred Castano

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WHO YOU GONNA CALL?

By **Fred Castano**

Public Relations Officer

Due to the bifurcated nature of our regulatory structure, sometimes you may not immediately remember which agency to contact with your question or concern: the Commission (CGCC) or the Bureau (BGC). Test your knowledge by reading the scenarios below and determine which agency to contact in each situation. The answer key is at the bottom of the page.



Scenario 1:

Your license was scheduled to be heard at a regular Commission Meeting, but you were unable to attend in person or call in. Who do you call to find out the action taken on your license?

Scenario 2:

Which agency would you contact if you have a question regarding the Indian Gaming Revenue Sharing Trust Fund or the Indian Gaming Special Distribution Fund?

Scenario 3:

You are the Designated Agent for a cardroom and one of the owners decides to sell their ownership interest, resulting in a change in the ownership structure. Which agency should you notify?

Scenario 4:

There are proposed regulations and you would like to submit comments to be considered at a regulations workshop. Which agency receives the comments?

Scenario 5:

You have fulfilled the conditions placed on your license and would like the conditions removed. Which agency would you contact to request the removal of the conditions?

As a reminder, [visit our website](#) to refresh your memory on each agency's roles and responsibilities.

THE COMMISSION WOULD LIKE TO THANK...

During this summer of wildfires, which included the largest in state history, California tribes graciously offered their casinos as shelters and evacuation points.

The Commission would like to thank and acknowledge the Paskenta Band of Nomlaki Indians for providing Rolling Hills Casino as a shelter. The shelter averaged about 200 evacuees a night during the Carr Fire. In addition to sheltering evacuees, the tribe granted use of its equestrian center as a shelter for small pets and livestock.

The citizens of California cannot thank you enough for your generosity in opening your facilities to those in need during the wildfires. It is truly appreciated.

In addition, if your casino offered shelter during this summer's wildfires and would like to be acknowledged, please contact the Commission at fcastano@cgcc.ca.gov.

GAMING POLICY ADVISORY COMMITTEE TERM EXPIRATIONS

The Commission's Gaming Policy Advisory Committee (GPAC) has five members whose terms are set to expire on December 31, 2018. The Commission will be looking for representatives for the following categories: Bureau of Gambling Control; agency or nonprofit concerned with problem gambling and/or gambling addiction; cardrooms with more than 25 tables; cardrooms with less than 25 tables; and local law enforcement from a jurisdiction that allows legalized gaming.

Members of GPAC may serve three (3) consecutive terms of up to two (2) years each. The Commission will accept applications from anyone who is eligible and wishes to be considered for appointment to any of the seats identified above until Friday, November 16, 2018. Interviews will be scheduled in December.

The application form can be found [on the Commission's website](#). Applications can be submitted via email to GPAC@cgcc.ca.gov. Mailed applications must be postmarked no later than November 16, 2018.

HOW TO UTILIZE THE STATEWIDE INVOLUNTARY EXCLUSION LIST

By **Kate Patterson**
Staff Counsel



The California Gambling Control Act provides for the establishment of a list of persons who are to be involuntarily excluded or ejected from licensed gambling establishments statewide. ([California Code of Regulations, Title 4, Division 18, §12362](#); [Business and Professions Code §19844](#)). The list consists of career or professional offenders, cheats, or other individuals whose presence in a gambling establishment would be a threat to the public, employees, or the gambling industry as a whole.

Licensees and government officials, such as law enforcement, are eligible to request that an individual be added to the Statewide Involuntary Exclusion List. Involuntary exclusion requests must be submitted to the Commission's Executive Director on Form CGCC-12362, which is [available on the Commission's website](#). The Executive Director will grant the request upon a finding that the individual poses a threat to the public, gambling enterprise employees, the gambling industry, or reasons otherwise outlined in Business and Professions Code sections 19844 or 19845 (a)(7).

If the involuntary exclusion request is granted, the excluded patron will have a right to a hearing before the Commission. Commission staff, not the individual who submitted the involuntary exclusion request, will have the burden of proving that there was good cause to exclude the person. Further, the Commission's decision is subject to judicial review in a superior court in accordance with Code of Civil Procedure, section 1094.5.

To assist the Executive Director in determining whether good cause exists to grant an involuntary exclusion request, to enable Commission staff to prepare for a hearing, and to potentially defend against a writ in superior court, each allegation contained in the exclusion request must be supported by evidence. The following are examples of supporting evidence that should be submitted, if available, with an involuntary exclusion request:

- ◆ Relevant court records, such as the complaint, plea agreement, minute order, conviction, etc.;
- ◆ Relevant audio or video recordings;
- ◆ Arrest warrants;
- ◆ Police reports;
- ◆ Copies of communications between the cardroom and the local law enforcement agency regarding the individual;
- ◆ Witness declarations;
- ◆ Prior self-exclusion documentation/violations, if applicable;
- ◆ Relevant incident and investigative reports;
- ◆ Evidence of exclusion, ejection, or discipline by another gaming jurisdiction or entity;
- ◆ Any other evidence that supports the allegations made in the involuntary exclusion request.

When the Executive Director grants an involuntary exclusion request, the excluded patron and the requestor are notified in writing. The statewide involuntary exclusion list is maintained by the Bureau [on its website](#) and is made available to Department of Justice employees, law enforcement personnel, gambling establishment key employees, and non-licensed gambling establishment employees. You can request access through the Bureau website [here](#).



2399 Gateway Oaks Drive, Suite 220
 Sacramento, CA 95833
 Phone: 916-263-0700
cgcc.ca.gov

POKER NIGHT FUNDRAISERS – FUN FOR A GOOD CAUSE

JUST BE SURE YOUR PAPERWORK IS IN ORDER!

Pursuant to Business and Professions Code sections 19985-19987, eligible nonprofit organizations are able to hold “Poker Night” fundraisers. A welcome break from bake sales and car washes, a nonprofit organization may hold this type of fundraiser once per calendar year, and the length of the event may not exceed five hours.

Qualified nonprofit organizations and suppliers of equipment and/or services for such fundraising events must submit an [Annual Registration Form](#) to the Bureau of Gambling Control for prior approval of the event. The form’s purpose is twofold: it registers the nonprofit organization for the calendar year so that the organization may apply for approval for the fundraising event; and it includes a section to register the event itself.

It is important that you submit your completed registration form and required fees in a timely manner. Registrations are processed in the order that they are received, and the processing time is approximately 30 days from the date that the original signed form and check are received by the Bureau. The form, which can be filled out online, will need to be printed and signed by a fiduciary for the nonprofit organization and mailed to the Bureau along with a check for the registration fee.

Registration forms received within less than 30 days before the event date may not be processed in time to issue a determination of your eligibility for registration.

A reminder on the types of games allowed: only controlled games as defined by California Penal Code section 337j(e)(1) may be played at these events. Approved games are listed on the registration form. Games such as roulette, craps, twenty-one, or any banking or percentage game played for anything of value, as well as slot machines, are prohibited.

For more information, please visit the Bureau’s [website on their Charitable Gaming Program](#), and you can also email them at BGCCharitableGambling@doj.ca.gov.



Photo: Brian Simuro / Cops Care Cancer Foundation

HEARING RESULTS

(July 1 – September 30)

Cardroom Owner-Licensee:

Terry Vargas, Poker Flats Casino, approved with conditions July 25

Key Employee License:

Armando Alcantar, approved July 12

Nader Tafty, approved with conditions via settlement August 23

Danny Liv, denied September 6

Third-Party Provider License:

Casey Zolnier, Qualified Player Services, LLC, approved with conditions September 6

Third-Party Player License:

Channy Kem, denied July 26

Jackie Sum, denied July 26

Kyle Baisa, denied July 26

Gregory Hill, approved September 20

Claudia Carmona, denied September 20

Tribal Key Employee Finding of Suitability:

Joshua Metcalfe, approved August 23

DID YOU KNOW?

California Code of Regulations, Title 4, Division 18, Section 12316 requires a gambling enterprise to establish written policies and procedures which comply with California’s Unclaimed Property Law. The policies must cover unclaimed chips and cash, un-deposited checks issued by the gambling enterprise, and cash equivalents left at a gaming table or in any player’s bank deemed inactive by the terms of the gambling enterprise’s policies and procedures. Records of the date and amount of any unclaimed property sent or reported to the State Controller shall be kept by the licensee.

Comments, suggestions, questions, or ideas for future articles or newsletter topics are always accepted and can be submitted directly to the Commission at the address above or by emailing them to fcastano@cgcc.ca.gov.