



STATE OF CALIFORNIA

Edmund G. Brown, Jr., Governor

GAMBLING CONTROL COMMISSION

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June 6, 2013

To: Interested Parties

Re: Regulations - Third-Party Providers of Proposition Player Services and Gambling Businesses

This is to invite you to an informal roundtable discussion concerning the Third-Party Providers of Proposition Player Services and Gambling Business regulations. The staff of the California Gambling Control Commission (Commission) would like to meet with the Third Party Provider industry, cardroom industry, Tribal interests, and the Bureau of Gambling Control to discuss areas of concern and suggestions for changes and improvement in the current regulatory structure.

This roundtable discussion has been scheduled as follows:

Wednesday, June 19, 2013, at 10:00 a.m.
California Gambling Control Commission
Hearing Room
2399 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

Since this will be a preliminary discussion of general topics, the discussion will be limited to two hours. To help guide the discussion, the enclosed agenda and issue chart list potential areas of the existing regulations for consideration.

Questions concerning the roundtable discussion may be directed to Josh Rosenstein, Regulations Analyst, at 916.274.5823 or jrosenstein@cgcc.ca.gov.

We look forward to seeing you on June 19th.

Sincerely,

TINA M. LITTLETON
Executive Director

Enclosures

Third-Party Providers of Proposition Player Services and Gambling Businesses – Regulations Roundtable Discussion

June 19, 2013; 10:00 a.m.

**California Gambling Control Commission
Hearing Room
2399 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833**

AGENDA

- I. INTRODUCTIONS**
- II. PURPOSE OF MEETING**
- III. TPPPS CONTRACTS**
- IV. ACCOUNTING AND FINANCIAL REPORTING REQUIREMENTS**
- V. LICENSING**
- VI. USE OF ELECTRONIC PLAYING BOOKS**
- VII. MISCELLANEOUS**
- VIII. OTHER ITEMS**
- IX. NEXT STEPS**

Third-Party Providers of Proposition Player Services and Gambling Businesses – Regulations Roundtable Discussion

CATEGORY	ISSUE	SECTIONS(S)
I. TPPPS CONTRACTS	<ul style="list-style-type: none"> • Examine player collection fees and collection fees for TPPPS companies. • Examine the tipping of house dealers by TPPPS personnel. • Examine service categories and payments for services. 	<p>12200.7</p> <p>12200(b)(28)</p> <p>12200.7(c)</p>
II. ACCOUNTING AND FINANCIAL REPORTING REQUIREMENTS	<ul style="list-style-type: none"> • Discuss developing accounting and financial reporting standards for TPPPS companies. • Consider adopting Minimum Internal Control Standards (MICS) for countdown procedures, dual verifications, chip control and shift changes. • Clarify that a player account for a TPPPS is the same as any other patron account. 	N/A
III. LICENSING	<ul style="list-style-type: none"> • Review the necessity for updating and revising requirements/standards for licensing, ownership changes, license terms and forms. • Review annual fee collection schedule, amount and calculation method. • Consider streamlining individual registration and licensing similar such as through the removal of temporary player registration and establishing personal registration and licensing similar to portable personal key employees. • Examine the feasibility of eliminating the Gambling Business license category. • Consider deleting withdrawal section and utilize other existing sections. 	<p>12200.15, 12201(b)</p> <p>12200.20</p> <p>12203.2, 12203.3, 12203.5, 12205.1, 12218, 12218.1</p> <p>Chapter 2.2</p> <p>12218.5</p>
IV. USE OF ELECTRONIC PLAYING BOOKS	<ul style="list-style-type: none"> • Consider the development of minimum standards for software programs to include accounting, security and anti-tampering functions. • Examine the feasibility of requiring certification of software programs. 	<p>Future Section</p> <p>Future Section</p>
V. MISCELLANEOUS	<ul style="list-style-type: none"> • Discuss adding Outstanding Fees Issue to disciplinary regulations. • Consider some definition clean-up, such as; “Fund Source,” Other Employee” and “Supplemental Information Package.” 	<p>Chapter 10</p> <p>12200(b)(10), (15), (27)</p>



Notice and Agenda of Commission Meeting

California Gambling Control Commission
Hearing Room
2399 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
10:00 a.m., Wednesday, June 19, 2013
www.cgcc.ca.gov

*Notice: Commission members may attend this roundtable;
however, no formal action will be taken.*

OPEN SESSION

Roundtable Discussion

Roundtable Discussion Concerning Third-Party Providers of Proposition Player Services (TPPPS) and Gambling Business regulations. (California Code of Regulations, Title 4, Chapters 2.1 and 2.2)

The Commission members and staff of the California Gambling Control Commission (Commission) will meet with the Third Party Provider industry, cardroom industry, Tribal interests, and the Bureau of Gambling Control to discuss areas of concern and suggestions for changes and improvement in the current regulatory structure.

PUBLIC COMMENT

The Commission affords an opportunity to members of the public to address the Commission on items of interest that are within the Commission's jurisdiction. The Commission is not permitted to take action on items that are not identified on the agenda. The Commission "reserves the right to limit speakers if necessary to provide an adequate opportunity for all to be heard."

ADJOURNMENT

Please contact Lisa Chimento at (916) 263-0700, or TDD 1-800-345-4275, to submit written material regarding an agenda item or to request special accommodations for persons with disabilities. Any person with a disability who wishes to receive this Notice and Agenda in an alternative format, or who wishes to request auxiliary aids or services to participate in meeting of the California Gambling Control Commission, in accordance with State or Federal law, should contact Lisa Chimento at this above phone number or address.