

**GAMING POLICY ADVISORY COMMITTEE**

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**MINUTES OF APRIL 8, 2025  
GAMING POLICY ADVISORY COMMITTEE MEETING**

**THIS MEETING WAS HELD IN PERSON AND BY TELE/VIDEO CONFERENCE**

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**OPEN SESSION**

1. Welcome and Call to Order

Executive Director Lisa Wardall called the April 8, 2025 meeting of the Gaming Policy Advisory Committee (GPAC) to order at 10:00 a.m.

2. Roll Call of Members

Roll call of the GPAC Members was taken. Trevor Dewar, Michael Hill, Michael Koniski, Emmanuel Macalino, Sosha Marasigan-Quintero, Linda Ng, Leonard Powell and Kirill Yermanov were present. John Stacy joined the meeting at 10:12 a.m. David Fried was absent.

3. Review and Approval of February 5, 2025 Meeting Minutes

Michael Hill moved to approve the February 5, 2025 meeting minutes. Emmanuel Macalino seconded the motion, which was unanimously approved by a roll call vote with Trevor Dewar, Michael Hill, Michael Koniski, Emmanuel Macalino, Sosha Marasigan-Quintero, Lind Ng, Leonard Powell, and Kirill Yermanov voting yes.

4. Update and Discussion of Current Projects:

A. Review and Examine Tier III Definition and Regulatory Burdens Project  
(Sub-Committee Members: Emmanuel Macalino and John Stacy)

Lisa explained that this project originated in 2024 from feedback that Emmanuel received while conducting outreach. At the February meeting it was discussed that Emmanuel would update the proposal to focus on redefining Tiers 1-3 to account for the initial table increase contemplated by Assembly Bill 341 (2023). This legislation added 19961.07, which allows cardrooms with less than 20 tables the ability to increase their number of tables by two every four years for up to ten additional tables.

Emmanuel provided a draft proposal for GPAC's review, which was posted with the agenda on the Commission's website and sent to GPAC members on March 21, 2025. This proposal seeks to redefine the Minimum Internal Control Standard (MICS) Tiers 1, 2, and 3, to allow the applicable cardrooms the ability to ease into increasing their tables without the costly requirements that come from moving up tiers.

Emmanuel indicated that the draft proposal is based on GPAC's discussion during the last meeting and stakeholder's feedback during the outreach program. It outlines the proposed changes to the number of authorized tables in Tiers 1-3. The goal is to mitigate possible regulatory burdens for the smaller cardrooms who want to expand without compromising MICS. Emmanuel also suggested considering a requirement for all tiers that a key employee or owner licensee always be present in the cardroom during operating hours.

Leonard commented that he thought the draft proposal was too soft as presented and indicated that he had concerns with the language "possible regulatory burdens" suggested in Part I and the explanations under Part I: A through E.

Kirill inquired if any feedback had been received from any local jurisdictions and law enforcement agencies concerning the proposed changes.

Lisa confirmed that the MICS do not currently require Tier 1 and 2 cardrooms to always have a key employee or owner licensee on premises.

John stated that he does not support a requirement for Tier 1 and 2 cardrooms to always have a key employee or owner licensee on premises, indicating that it would be a burden for the smaller cardrooms.

Lisa suggested considering a 12-month grace period for cardrooms when they move up one tier to allow time to come into compliance with the increased requirements under the MICS.

Emmanuel indicated that he thought it was an option worth looking into that could help the smaller cardrooms.

John indicated that he liked the idea of a grace period. He also commented further on the requirement concerning a key employee/owner licensee indicating that requiring their presence during the drop or the end and beginning of the day instead of always would be more reasonable for smaller cardrooms.

Michael Koniski stated that he thinks a grace period is a smart approach to help smaller cardrooms ease into the requirements of adding additional tables.

Lisa asked Emmanuel if he would be willing to draft a second proposal for GPAC to consider along with his current proposal. The second proposal would be for the consideration of a grace period. Emmanuel agreed to work on preparing a proposal for GPAC.

B. Cybersecurity Regulations Educational Project (Sub-Committee Members: Michael Koniski and David Fried)

Lisa explained when GPAC discussed cybersecurity at the February meeting she had initially hoped GPAC members would help conduct some preliminary research on the current practices employed within cardrooms with the long-term goal of updating MICS to include cybersecurity standards. However, based on the discussions at that meeting, the group decided on taking an educational approach first. Michael Koniski and David Fried volunteered to put some information together, which was posted with the agenda on the Commission's website and sent to GPAC members on March 21, 2025.

Michael Koniski specified that the document provided is for educational purposes and that he highly advises contacting a cybersecurity expert for advice before making any formal recommendation.

Leonard commented on requiring every cardroom to have cybersecurity insurance.

Michael Koniski stated that cybersecurity insurance can be extremely expensive for smaller properties.

Linda inquired about the cost of insurance. Emmanuel responded that cybersecurity insurance policies costs can vary depending on a cardroom's size and needs.

Both Emmanuel and Micheal Koniski indicated that they agreed with Leonard that a cybersecurity insurance policy is good protection.

Leonard clarified that he was suggesting putting into regulation some of the measures that mirror some of the requirements of cybersecurity insurance rather than mandating that cardrooms have cybersecurity insurance.

Lisa suggested continuing exploring the project from an education perspective to focus on best practices and to continue to develop an educational outreach document that could be used to help further educate the industry. She suggested keeping it on the agenda for further discussion at the next meeting.

5. Open Discussion Items:

A. Incident Reporting Requirements

Lisa explained that incident reporting requirements is on the agenda for discussion because it was initiated by John Stacy at the December 2024 meeting. She reported that John had indicated that the five-day threshold required by 12395 can be unreasonable due to the amount of time it takes to get details from the local police department. At the February GPAC it was decided to keep this on the agenda for further discussion

John indicated that he has not prepared a document for this topic yet because he has not been able to determine where the five-day reporting requirement came from, indicating that it seems to him to be arbitrary.

Trevor commented that it's hard to support extending the reporting time because what is required in regulation is to report information known by the cardroom at the time of reporting. Trevor also mentioned that extending the reporting time could put Bureau law enforcement at a disadvantage in the investigation process.

Lisa explained that the five-day reporting requirement is five business days, and the incident form has been updated to require submitting it with the best information available at the time of reporting. It has been set up so that information can be relayed quickly but also with the knowledge that not all information will be available at the time of initial reporting.

Trevor indicated that the Bureau accepts email notification or a subsequent report when new information becomes available.

John determined that the project could be closed.

Public comment was received from Robert Lindo who indicated that in San Jose they are required to report every crime within four hours.

#### 6. Discussion of New Agenda Items for Next Meeting:

##### A. Proposals by GPAC Members or Public

Leonard proposed adding an item to the next agenda for discussion on current programs on problem gambling.

#### 7. Next Meeting Date

Lisa indicated that she would like to schedule the next meeting in June and that Niecesha will be in contact with the members to survey availability.

#### 8. Public Comment

None.

### **ADJOURNMENT**

Lisa adjourned the meeting at 11:21 a.m.