

INDUSTRY MATTERS

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INTRODUCING FINANCE COMMISSIONER WILLIAM LIU

In 2021, the Commission added four new Commissioners: [Eric Heins](#), [Edward Yee](#), [Cathleen Galgiani](#), and [William Liu](#). To close out this series of Commissioner profiles, we introduce Commissioner Liu.



What about the Commission attracted you to the position?

Since my retirement in 2015, I have been volunteering with various non-profit organizations in Sacramento ranging from the Asian Pacific State Employees Association Foundation to the city's Farm-to-Fork festivities and IronMan California 2021. I believe in volunteerism through community service, and an opportunity to serve on the California Gambling Control Commission's Gaming Policy Advisory Committee (GPAC) presented itself in 2017.

I enjoyed my experience with GPAC and learned about the industry, the Bureau of Gambling Control (Bureau), and problem gambling. The gambling industry is fascinating, and heavily regulated to prevent temptation or illicit influence.

This position attracted me because I was interested in how the Commission and the Bureau conduct and factor in financial evaluations while carrying out their oversight responsibilities.

I hope during my term as Commissioner I can provide a financial insight and balanced environment so the gambling industry can thrive.

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

My background as an auditor has provided me with a foundation of financial evaluation, identification of issues, and development of functional solutions. I learned that identifying issues is one component, and providing a sound, functional solution is the second component to a win-win approach.

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CGCC Calendar

Upcoming Licensing Meetings

January 6
January 20
February 10
February 24
March 10
March 24

Gaming Policy Advisory Committee (GPAC)

January 20

Upcoming State Holidays (Office Closed)

January 17 (Martin Luther King, Jr. Day)
February 21 (Presidents' Day)
March 31 (Cesar Chavez Day)



Click above for industry-related COVID-19 updates

California Gambling Control Commission

Chair

Paula LaBrie

Commissioner

Eric Heins

Commissioner

Edward Yee

Commissioner

Cathleen Galgiani

Commissioner

William Liu

Executive Director

Stacey Luna Baxter

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COMMISSIONER LIU CONTINUED...

With over 30 years of experience in financial, administrative, and program areas, I worked with various individuals and obtained their trust in improving situations that were important to all parties. As a Commissioner, I look at financial evaluations that are in line with the Commission's mission and values.

What are some of your goals as Commissioner?

I agree with Chair Paula LaBrie's viewpoint that proper vetting, consensus, and a will to resolve enforceable solutions are key to effectuating change for the better in the gaming industry. My goal as a Commissioner is to ensure that the oversight and regulatory environment is consistent, fair, and transparent to avoid any perception of discriminatory actions towards the applicants.

In addition, I look forward to strengthening the Commission's relationship with our stakeholders by working together to ensure integrity and trust in California's controlled gambling industry.

Most importantly, what do you like to do for fun?

I enjoy cycling with family and friends around the Sacramento region, and I occasionally participate in group-supported rides around Northern California. My ultimate goal is to cycle from San Francisco to Southern California. In addition, my wife and I like to travel and experience diverse food cultures.

OFFICE OF PROBLEM GAMBLING VIRTUAL SUMMIT SCHEDULED FOR MARCH

The Office of Problem Gambling (OPG) will hold their annual Problem Gambling Training Summit online, starting March 1. This year's theme is "Gambling Recovery in an Era of Uncertainty."

Summit workshops will include information and tools about problem gambling, the effects problem gambling has on overall health, and strategies to provide prevention and treatment access to underserved populations. Registration for the summit is FREE.

Please visit [OPG's website](#) for more information.



COMMISSION STAFF CONTINUED TO GO ABOVE AND BEYOND IN 2021

By **Stacey Luna Baxter**
Executive Director



Each year, the staff of the California Gambling Control Commission continue to surpass their accomplishments from the prior year. The Commission is a small agency of less than 30 staff, yet is an incredibly productive agency. From Day 1 of becoming the Commission’s Executive Director, I continue to be in awe of the commitment to excellence each of the Commission’s staff exhibit on a day-to-day basis.

2021 was no different! 2021 seemed to present even more challenges than 2020. Yet, the Commission staff continued to meet every challenge presented.

Without a doubt, one of my most cherished acts as the Commission’s Executive Director is recognizing the excellent and dedicated service of our staff. At the end of each year, I recognize those who have particularly stood out because of their positive attitude and going above and beyond in a particular assignment. When I began this tradition of recognizing excellence in 2016, I did not anticipate the yearly struggle I would face narrowing down the recipients. However, as most would say, that is a great “struggle” to have, and one I will happily accept each year.

This year, Administrative Division analyst **Erica Dennis** received the “Awesome Award” in recognition of her dedication, passion, and excellent relationships established in her role as the sole administrative support for the Tribal Nation Grant Fund (TNGF) Program. Ms. Dennis continuously goes above and beyond to ensure the TNGF Program is able to be a successful program.



Rachelle Ryan was the recipient of the 2021 Director’s Award in recognition of her commitment to excellence in performing her many, and very complex, roles and responsibilities. Ms. Ryan is the Commission’s expert, trustee, and administrator for the Indian Gaming Special Distribution Fund and Revenue Sharing Trust Fund. Ms. Ryan approaches all responsibilities with the utmost professionalism and has gained the respect of all of whom she works with.



Lastly, one of the things that makes the Commission unique when comparing it to other State agencies is that approximately 50% of its staff have been with the Commission for 10 years or more. That is definitely something worth recognizing. In fact, the Commission has three employees who have been with the Commission for 20 years or more – **Pam Mathauser, Alaina Lutz, and Jacob Muscan**.

Four staff members have been with the Commission for 15 years or more – **Rachelle Ryan, Ericka Ramirez, Edward Diggs, and Amy Arndt**. Seven staff members have been with the Commission 10 years or more – **Niecesha Williams, Denise DeLotty-Smith, Quinn Hedges, Jason Pope, Ovi Bush, Russell Johnson,** and the newest to hit the ten-year mark, **Stephanie Clark**. Ms. Clark and those marking their 15 years with the Commission were recognized with years-of-service awards.

As we close out this particularly challenging year, I again want to recognize the excellence exhibited by all of our Commission staff. It is truly my honor to work alongside each of you. Your hard work does not go unnoticed and is appreciated more than words can acknowledge.

And as we open in 2022, I look forward to working with our staff and our stakeholders to further the Commission’s mission of protecting the public by insuring the integrity of the controlled gambling industry. Here’s to a safe, happy, and prosperous New Year.



L-to-R: Edward Diggs, Rachelle Ryan, Ericka Ramirez, Stephanie Clark

* Please note that no State funds were used for the purchasing of the awards presented.



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SELF-EXCLUSION, SELF-RESTRICTION, AND GAMBLING EMPLOYMENT

By Kate Patterson
 Staff Counsel

Individuals should not have to choose between getting help for problem gambling tendencies and maintaining employment in the gambling industry. The Commission’s regulations regarding self-exclusion and self-restriction offer individuals flexibility to work in the industry while also formally excluding or restricting themselves from certain, or all, gambling activities.



[Self-Exclusion Program, California Code of Regulations \(CCR\) Title 4, section 12464](#)

Cardroom self-exclusion programs and Commission regulations allow individuals to exclude themselves from all gambling establishments licensed by the Commission for a term of one year, or permanently.

Each cardroom is required to implement a program that allows for the submission of a self-exclusion request form, to maintain a list of self-excluded persons, and to implement policies designed to thwart self-excluded patrons from entering the gambling area during the term of exclusion, amongst other things.

However, 4 CCR section 12464(a)(3) contains an exception to this exclusion allowing self-excluded individuals access to the gambling area for the sole purpose of carrying out duties of employment.

[Self-Restriction Program, 4 CCR section 12463](#)

Cardroom self-restriction programs and Commission regulations allow individuals to more narrowly tailor which gambling establishments and activities they wish to be restricted from for a period of one year, or permanently.

A self-restriction request will only apply to the specific cardroom the form is submitted to and can indicate that the individual wants to self-limit their access to the gambling establishment entirely, or to the issuance of credit, check cashing, or marketing by that cardroom.

However, 4 CCR section 12463(a)(4) also contains an exception for self-restricted individuals to have access for the sole purpose of carrying out the duties of employment.

Thus, under Commission regulations, individuals who have self-excluded from all gambling establishments may still enter and work in a cardroom for the limited purpose of performing their duties of employment.

Similarly, individuals may continue to perform their duties of employment in a cardroom while simultaneously being self-restricted from certain activities within that same gambling establishment.

The forms for requesting self-exclusion from all gambling establishments or self-restriction from specific gambling establishments and activities are available on the [Commission’s website](#).

Specific cardrooms may also have their own forms.

Hearing Results

(Decisions Effective October 1 — December 31)

Work Permit

Ivan Cruz, denied December 6

Third-Party Player License

Ricardo Gil-Mendez, approved with conditions November 4



UPDATED LICENSING FEES NOW IN EFFECT, HEARING REGULATIONS EXPECTED TO GO LIVE 2022, EMERGENCY REGS EXPIRING IN JANUARY

Commission Fees Modernization Project

On October 7, the Office of Administrative Law (OAL) approved emergency regulations to implement the Commission Fees Modernization Project, which went into effect immediately. These regulations reduced certain licensing fees to better align them with regulatory costs, which you can read about in the [fee study](#) conducted by MGT Consulting in collaboration with the Commission and the Bureau.

Since these were filed as emergency regulations, the updated fee structure is only valid through April 7, 2022. However, the Commission is currently working to ensure that these regulations become permanent. The Commission submitted the regular rulemaking file to the OAL and the 45-day public comment period is currently open.

You can view additional information, including the changes to the licensing fees, [here](#).

Assembly Bill 120 — Hearings

On November 29, the Commission formally approved regulations that will implement the provisions of [Assembly Bill 120](#). However, these regulations must still be approved by the Department of Finance (DOF) and the OAL before they become effective.

AB 120 made a number of changes to the way the Commission can choose to consider an application. These include:

- Changing the timeline for when a request to withdraw an application may be made, from when the Bureau of Gambling Control has completed its initial review of an application and prepared any recommendation for the Commission, to when the Commission has issued its final decision on the application.
- Providing the Commission with the authority to deny an application, or approve an application with limits, restrictions, or conditions, without an evidentiary hearing, provided that the action of the Commission is stayed for 30 days to allow the applicant the opportunity to request an evidentiary hearing.

Commission staff submitted this regulations package to the DOF for review and approval. Following the DOF's approval, the Commission will submit these regulations to the OAL.

Senate Bill 819

[Senate Bill 819](#) went into effect on January 1, 2022, and makes [several updates](#) pertinent to the gambling industry. The Commission is currently developing regulations to implement SB 819, which includes:

- Updating the definition of “gambling enterprise employee” to exclude employees whose sole responsibility is to serve or prepare food or beverages if those duties are performed only in areas of the establishment in which gambling is not authorized.
- Updating the definition of “key employee” to exclude employees whose sole responsibility is to supervise employees whose sole responsibility is to serve or prepare food or beverages if those duties are performed only in areas of the establishment in which gambling is not authorized.
- Authorizing the Commission to extend a license, work permit, or finding of suitability held by any applicant for up to 180 days if the Commission is unable to act on a renewal application before its expiration.
- Requiring an owner or employee of a third-party provider of proposition player services to wear a badge that clearly identifies them as providing proposition player services while in a gambling establishment that has a contract with the provider.

REGULATIONS CONTINUED...

This bill requires further order of the Commission to occur at a meeting for any existing emergency order or final disposition of a proceeding, as specified.

While some aspects, such as the emergency order clarification and badge display, did not require regulations, others, such as the 180-day extension, the gaming enterprise employee, and key employee definitions, will.

Commission staff submitted a regulations package on the 180-day extensions to the DOF for review and approval, and intends to submit another regulations package on the remaining component in the near future. Following the DOF's approval, the Commission will submit these regulations to the OAL.

Emergency Regulations

A number of emergency regulations adopted by the Commission in response to the COVID-19 pandemic are expiring. The emergency sanitation regulations will expire on January 12, 2022.

The Commission did not permanently adopt these regulations, as other federal, state, and/or local agencies have now implemented rules to address COVID-19 precautions.



In addition, the Commission emergency regulations for financial reporting and temporary permanent table reductions will expire on January 8, 2022. There was a very limited number of cardrooms that utilized this reduction-of-tables provision. Upon expiration, those cardrooms' permanent tables will revert to their pre-temporary permanent table reduction request numbers. The annual fee calculations will be based upon the number of tables the cardroom had as of December 31, 2021.

Other recently approved regulations packages

On October 18, 2021 the Commission approved and filed with OAL its *Updates to Non-Commission Forms regulations package*. This package provided updates to the Commission's Live Scan form and Franchise Tax Board forms, and became effective January 1, 2022.

Did you know that the Commission submitted nine regulations packages to the DOF and the OAL for the 2021 calendar year?

The Commission will be submitting several regulations packages in 2022, so to stay up-to-date on our efforts, visit the [Regulations page](#) on our website.



Register to get notified when it's your turn to make an appointment to get vaccinated against COVID-19.

For more information, visit MyTurn.ca.gov or call (833) 422-4255.