



# INDUSTRY MATTERS

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## Commissioners reflect on Senate confirmation process

By **Trang To and Roger Dunstan**  
*Commissioners*

Recently, Commissioner Roger Dunstan and I had the good fortune to be confirmed by the Senate as commissioners of the California Gambling Control Commission.



Commissioner Dunstan was appointed as the member with banking or finance experience, and I am the member with law enforcement experience. After the Governor appoints the commissioners, they must be confirmed by the Senate.



We both felt this was an amazing, if somewhat stressful, experience that is intense and highly rewarding. The process begins by answering 20 to 30 detailed written questions from the Senate Rules Committee. It is a very thorough process involving answering questions, panel interviews, and then a confirmation hearing where appointees are quizzed by the senators who make up the Senate Rules Committee. A favorable Rules Committee action means the committee recommends the Senate confirm the appointees.

The process allows the Senate to examine appointees to ensure the appointee is of the highest integrity and has the experience to carry out the responsibilities as directed by law. As Commissioners, we use our personal

knowledge and experience to make decisions in the best interests of the industry and the public, guided by the statutes and regulations.

Being confirmed could not have been completed without tremendous support from the Commission staff in providing research and assisting us in preparing responses to the questions. We thank our staff for their countless hours of work, research, and unwavering support!

We also thank our fellow commissioners for their support throughout this process. We both have enjoyed immensely working with the Bureau of Gambling Control and industry and look forward to working together in the future.

## Guidance for calling into Commission meetings

By **Lisa Chimento**  
*Licensing Division*

When a license, work permit, transaction, or finding of suitability is being considered at a Commission meeting in open session, oftentimes the Commissioners will want to speak to the applicant. The commissioners may have questions for the applicant, or they want to ensure that the applicant understands and accepts the condition(s) if one is being placed on their license.



Commission staff will contact the applicant or their designated agent to inform them of the date and time of the meeting and that the

commissioners want them to be available.

It is not always possible for applicants to travel to Sacramento, which is why there is a teleconference line available for applicants to call. It is very important for applicants to make themselves available to answer any questions the commissioners may have regarding their suitability for licensure. When calling in to the meeting, applicants should place their phone on mute until their item is being considered. Before each agenda item, the item will be read into the record. While the item is being considered, this is the time for applicants to ask any questions, should they have any.

Should you have any questions about this process, please contact the Licensing Division at 916-263-6292.

### Calendar

**Upcoming Meetings**

- October 5 (playing books)
- October 6
- October 20
- November 3
- November 17
- December 8

**Gaming Policy Advisory Committee**

November 3 at 1:30 p.m.

**Upcoming State Holidays (Office Closed)**

- November 11 - Veterans Day
- November 24-25 - Thanksgiving
- December 26 - Christmas
- January 1 - New Years Day

## California Gambling Control Commission

### Chairman

*Jim Evans*

### Commissioner

*Tiffany Conklin*

### Commissioner

*Roger Dunstan*

### Commissioner

*Lauren Hammond*

### Commissioner

*Trang To*

### Executive Director

*Stacey Luna Baxter*

### Deputy Director, Legislation & Regulatory Affairs

*Anna Carr*

### Deputy Director, Licensing Division

*Katherine Ellis*

### Deputy Director, Administration Division

*Julie Fisher*

### Chief Counsel

*R. Todd Vlaanderen*

### Public Information Officer

*Eric Petosky*

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## Gaming Policy Advisory Committee:

### *FINANCE VOLUNTEER NEEDED FOR ACCOUNTING SEAT*

By **Stacey Luna Baxter**

*Executive Director*

The Gaming Policy Advisory Committee (GPAC) currently has a vacancy in its Professional with Accounting Background, Category G seat. The Commission is looking for an individual who has no affiliation with a legalized California gaming entity to fill this position.



The committee consists of 10 members appointed by the Commission who provide advisory recommendations concerning

matters of controlled gaming regulatory policy and other relevant gambling-related issues (excluding tribal gaming). All GPAC meetings are open to the public.

GPAC members may serve up to three consecutive terms of two years each. Member terms were established and shall remain in such a way that half of the members' terms expire each year.

To apply, please fill out the [Application for Appointment to GPAC](#) on the CGCC website and return it to the Commission via email to [GPAC@cgcc.ca.gov](mailto:GPAC@cgcc.ca.gov) by Nov. 18.

## *BGC offers Gambling Investigators Course to law enforcement, gaming stakeholders*

By **Tyler Burtis**

*Special Agent in Charge, Southern California Bureau of Gambling Control*

The Bureau of Gambling Control (BGC) developed and facilitates a California Peace Officers' Standards and Training (POST) certified "California Gambling Investigators Course" for local, state, federal, and Tribal Law Enforcement.



Since the inception of the Bureau of Gambling Control (originally the Division of Gambling Control), the Bureau relied on the training and expertise of the Nevada Gaming Control Board's "Protecting the Games" course to provide special agents and field representatives with a basic foundation of gambling related investigations.

While the Nevada Gaming Control Board and their investigators provide an excellent product, it is specific to Nevada law, Nevada regulated casinos, and Nevada approved games.

The Bureau spent almost two years developing a needs assessment, designing a course outline and learning objectives, assembling top instructors in the industry, and getting the course approved by the California Peace Officers Standards and Training. The California Gambling Investigators Course was approved and certified by POST.

This is the first POST-approved gambling school in California for peace officers. The course specifically addresses relevant topics unique to California law and regulations, cardrooms, and tribal casinos.

In addition to investigating traditional organized crime and illegal gambling operations, the course focuses on the regulatory process for legal gambling, with an emphasis on gaining compliance through training, communication, and best practices.

The course covers a variety of casino related topics: FinCEN/Title 31 requirements, cheating, major case investigation, tribal-state gaming compacts, illegal internet cafes, bookmaking and sports betting, state and federal resources, and presenting cases to courts and the California Gambling Control Commission.

In a progressive move to protect the integrity of gambling in California and to further enhance working relationships within the cardroom and tribal gaming industry, BGC opened this course to fellow law enforcement agencies, tribal gaming agencies, and licensed cardroom employees.

The course is an intensive four days of instruction. The Bureau intends to host at least two courses a year, one in Northern California and one in Southern California on a six month rotational schedule.

# EVIDENTIARY HEARINGS 101: PART 1 OF 3

*Chief Counsel dissects hearings for applicants and describes rights, roles, reasons, and results*

By R. Todd Vlaanderen  
Chief Counsel



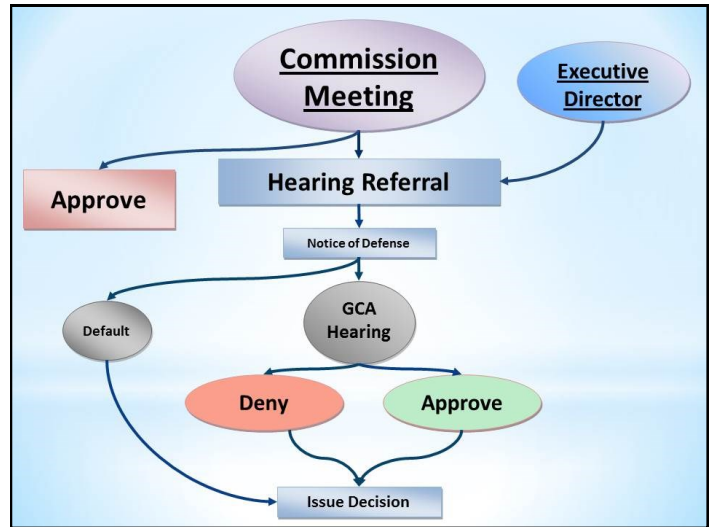
An initial application or a renewal application starts when it is filed with the Bureau of Gambling Control, which conducts an investigation on the applicant and submits a report (and often a recommendation) to the Commission. Once the application and Bureau report arrive at the Commission the matter is placed on the agenda of a regular Commission meeting. This first Commission action on the application generally occurs at the meeting, which is why our flow chart starts with the Commission meeting. The Commission meeting is open to the public.

When the matter is called, the applicant may address the Commissioners, and the Commissioners may ask questions, but this meeting is not a formal hearing. At the meeting the Commission has quite a few options on how they can act on the application. Section 12054 of Title 4 of the California Code of Regulations (4 CCR § 12054) lists many of the Commission's options, such as approving the application, approving with conditions, or electing to hold an evidentiary hearing.

Holding an evidentiary hearing gives the Commissioners the chance to spend more time learning about the facts and issues with a particular applicant; something that can't be done in the short time allowed at a regular meeting. Unless the Commissioners decide to refer the application to an Administrative Procedures Act hearing, the matter will be conducted as a Gambling Control Act (GCA) hearing in the Commission hearing room.

Also, the Commission Executive Director has the authority under 4 CCR § 12060, in appropriate situations, to set an application directly for a GCA hearing without going to a regular Commission meeting first. This is done when the facts surrounding the application make it necessary for Commissioners to hold an evidentiary hearing in order to make an informed decision on the application. Since the application skips the regular meeting process, this can speed up the application process for the applicant by 30 to 60 days.

Once an application is referred to a hearing, the Licensing Division sends a letter informing the applicant of the hearing referral and, if the application is for a renewal, 4 CCR § 12035



A flow chart details the possible outcomes between when an applicant applies for a state gambling license and when a final decision is made by the Commission.

directs the Commission to issue an interim renewal license which is valid until the Commission makes a decision after the hearing (a maximum two years). The interim renewal license allows the applicant to work while waiting for the hearing and decision.

Along with the referral letter, the Licensing Division sends the applicant a **Notice of Defense**. The notice of defense is a form requiring the applicant to confirm the hearing. If the applicant does not return the notice of defense to the Commission within 15 days, the applicant waives the right to a hearing and the Commission will act at a future meeting to deny the application without the applicant's participation. This is called a **Default**.

If the applicant returns the notice of defense, the matter is set for a GCA hearing. In order to provide the applicant enough time to prepare, the GCA hearing is scheduled at least 60 days from the date the application is referred to a hearing (if the Commission referred the application at a meeting) and at least 90 days (if the Executive Director scheduled the hearing directly). After the hearing has concluded, the Commission reviews all the evidence and deliberates in private (closed session) to reach a decision.

4 CCR § 12062 gives the Commission 75 days to issue that decision, which is then mailed to the applicant and the Bureau. Within 7 days of mailing the decision to the applicant, the decision is then posted on the Commission's website and becomes available to the public.

*This is the first in a three part series of articles that will review the California Gambling Control Commission administrative hearing processes. This article discusses evidentiary hearings where the Commission decides whether to grant or deny license, permit and registration applications. These are often referred to as Gambling Control Act or "GCA" hearings because they are governed by the Gambling Control Act (Business and Professions Code section 19871) and Commission regulations. Here we cover a broad overview of the Commission procedures and processes for GCA hearings from the time the application is initially considered at a public meeting until the application is decided. A second article will cover how to prepare for a GCA hearing and what to expect at the hearing. The last article in the series will discuss disciplinary hearings where the Bureau of Gambling Control (Part of the California Department of Justice in the Attorney General's Office) is seeking to revoke or suspend an existing license.*

## CALIFORNIA GAMBLING CONTROL COMMISSION

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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 [epetosky@cgcc.ca.gov](mailto:epetosky@cgcc.ca.gov).

## New policy means faster access to pleading documents: Effort eliminates delivery delay, improves transparency for all Commission proceedings

By **Stacey Luna Baxter**  
*Executive Director*

In an effort to increase transparency, I'm pleased to announce that the California Gambling Control Commission is now providing public access to all pleading documents on its official website ([www.cgcc.ca.gov](http://www.cgcc.ca.gov)). This change allows the public to be as informed as possible of pending administrative proceedings involving licensees within the state.

Previously, the Commission posted the pleading documents on its website only once a final Commission action had been taken and notice served to all parties. Now, pleading documents will be posted online in a matter of hours in most cases.

In addition, while working on this project to provide stakeholders with more information, we noticed our website provided only basic licensee information and the status of the license. However, unless the applicant was denied a license, the search results would not identify that the applicant had or is pending an administrative hearing. The Commission felt it was important to provide the public as clear of a picture as possible and identify if the licensee had a pending administrative action, previously had an administrative action decision, or both.

As such, the Commission's IT staff made some great changes to the search function. An "Admin Action" column that provides a link to a decision if an evidentiary hearing is concluded has been added. There is also a link to any accusations, statements of reasons, statements of issues, or statements of particulars if a matter is pending an evidentiary hearing.

The link within the field will take the individual searching directly to the associated pleading or decision documents. Those with a "REFERRED" label are matters that have been referred to an evidentiary hearing, but pleading documents have not yet been filed. Here are the links for these website search pages:

- [Pending Administrative Hearings](#)
- [Persons Name Search](#)
- [Business Name Search](#)

### **We want to hear from you!**

Have a great idea? Have feedback on a Commission process, procedure, or policy? We want to hear from you! Please email your questions, concerns, and ideas to [comments@cgcc.ca.gov](mailto:comments@cgcc.ca.gov).