

PECHANGA INDIAN RESERVATION

Temecula Band of Luiseño Mission Indians

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<u>SENT VIA U.S. MAIL & EMAIL</u> (Susanne.George@doj.ca.gov)

Susanne George, Research Analyst Bureau of Gambling Control Department of Justice P.O. Box 168024 Sacramento, CA 95816

Re: <u>Proposed Amendments to Gaming Activity Authorization Regulations</u>

Dear Ms. George:

This letter is in response to the October 31, 2014 letter from the Bureau of Gambling Control ("Bureau") inviting comments and suggestions in advance of the December 12, 2014 workshop discussing possible amendments to existing regulations regarding gaming activity authorization.

The Pechanga Band of Luiseño Indians ("Pechanga") thanks the Bureau for holding discussions on the current use of collection fee waivers at licensed gambling enterprises ("Cardrooms") as defined in the Gambling Control Act ("Act"). Pechanga believes the continued lack of enforcement of State laws requiring licensed gambling enterprises to collect a fee, particularly Penal Code section 337j(f), creates an unlawful expansion of gaming in California.

As discussion of this matter moves forward, Pechanga will urge the Bureau to adopt amended regulations that bring the practice into compliance with existing State law. As you are aware, State law only permits a waiver of collection fees under limited and specific circumstances. Currently many Cardrooms defiantly advertise full general waivers of collection fees at their facilities in direct conflict with prescribed California law.

We submit to you that any regulatory clarification by the Bureau should bolster existing State law which prohibits the wholesale waiver of collection fees. Additionally, the fixed collection fee should increase in proportion to the amount wagered and should not be based on a percentage of the wager or winnings. Any further revisions to rules or regulations should ensure that each player pays the collection fee out of their own funds and further ensure that a Cardroom, third party proposition player, or other third party does not provide a refund or reimbursement of such collection fee in an effort to circumvent the letter or spirit of California laws.

We appreciate the opportunity to provide comments on this important matter and look forward to participating in the upcoming workshop.

Sincerely,

ohn L. Macarro