

December 16, 2019

The Honorable Xavier Becerra
Attorney General
California Department of Justice
1300 I Street
Sacramento, CA 95814

Dear Attorney General Becerra,

I write on behalf of the City of San José to express concern about the Bureau of Gambling Control's proposed regulations governing the rotation of the player-dealer position in controlled games.

Cardrooms are a significant source of revenue for many cities across the state, San José being no exception. In 2018-2019, our City's two cardrooms, Casino M8trix and Bay 101 generated \$18.9 million in revenue to support city services. In San José, cardrooms directly and indirectly generate roughly 1,768 jobs and more than \$307 million of total economic impact.

While tribal casinos are typically located in isolated cities, cardrooms are more often integrated into the local socio-economic fabric and contribute significant revenue to the City, revenue which is needed to fund local services, build infrastructure, and serve the community. The proposed rules governing the rotation of the player-dealer position would significantly slow card play resulting in a loss of business that would have consequences for San José's cardrooms and for City revenues. At a time when San José is actively mobilizing much of its resources to address affordable housing and prevent homelessness, we simply can't afford policies that further diminish revenue for the institutions critical to the wellbeing of our local economy.

Thank you for your consideration.

Sincerely,



Lee Wilcox
Chief of Staff, City Manager's Office