

### 0855 California Gambling Control Commission

The California Gambling Control Commission (Commission) has jurisdiction over gambling establishments (cardrooms), Tribal casinos, and charitable organizations that offer remote caller bingo pursuant to its authority under state law and Tribal-State Gaming Compacts (Compacts).

There are 90 licensed cardrooms in California over which the Commission has regulatory authority. This authority extends to the operations, concentration, and supervision of the cardrooms and all persons and things related to each licensed establishment.

The Commission has fiduciary, regulatory, and administrative responsibilities related to Tribal Gaming that include: (1) oversight of Class III gaming operations, which are primarily casino-type games, (2) distribution of Tribal Gaming revenues to various state funds and to authorized, federally-recognized, non-Compact Tribes, (3) monitoring of Tribal Gaming through periodic background checks of Tribal key employees, vendors, and financial sources, (4) validation of gaming operation standards through testing, auditing, and review, and (5) fiscal auditing of Tribal payments to the state pursuant to Compact provisions.

The Commission has fiduciary, regulatory, and administrative responsibilities related to remote caller bingo that include: (1) regulation of the licensure and operation of remote caller bingo, (2) validation of gaming operations standards through testing, auditing, and review, and (3) fiscal auditing of the organizations and vendors of equipment that conduct remote caller bingo.

#### 3-YR EXPENDITURES AND PERSONNEL YEARS (Summary of Program Requirements)

	Personnel Years			Expenditures		
	2008-09	2009-10	2010-11	2008-09*	2009-10*	2010-11*
10 California Gambling Control Commission	78.2	80.8	81.3	\$119,210	\$108,370	\$108,882
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>78.2</b>	<b>80.8</b>	<b>81.3</b>	<b>\$119,210</b>	<b>\$108,370</b>	<b>\$108,882</b>
<b>FUNDING</b>				<b>2008-09*</b>	<b>2009-10*</b>	<b>2010-11*</b>
0366 Indian Gaming Revenue Share Trust Fund				\$77,000	\$96,500	\$96,500
0367 Indian Gaming Special Distribution Fund				37,791	8,200	8,477
0567 Gambling Control Fund				2,702	2,959	3,136
3131 California Bingo Fund				184	711	769
3132 Charity Bingo Mitigation Fund				1,533	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$119,210</b>	<b>\$108,370</b>	<b>\$108,882</b>

#### LEGAL CITATIONS AND AUTHORITY

##### DEPARTMENT AUTHORITY

Business and Professions Code Sections 19811-19825 and 19840-19984

Government Code Sections 12012.25, 12012.35, 12012.40, 12012.45, and 63048.65

Penal Code Sections 326.3-326.5, and 337j

#### MAJOR PROGRAM CHANGES

- Gambling Regulation-The Budget includes \$37,000 Gambling Control Fund to implement the provisions of Chapter 233, Statutes of 2009 (AB 293, Mendoza). The funding will be for a two-year limited-term through fiscal year 2011-12.

#### DETAILED BUDGET ADJUSTMENTS

	2009-10*			2010-11*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
<b>Workload Budget Adjustments</b>						
<b>Workload Budget Change Proposals</b>						
• Cardroom Regulation (Chapter 233, Statutes of 2009)	\$-	\$-	-	\$-	\$37	0.5
<b>Totals, Workload Budget Change Proposals</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$37</b>	<b>0.5</b>
<b>Other Workload Budget Adjustments</b>						
• Employee Compensation Adjustments	\$-	-\$973	-	\$-	\$-	-
• Retirement Rate Adjustment	-	16	-	-	16	-

\* Dollars in thousands, except in Salary Range.

## 0855 California Gambling Control Commission - Continued

	2009-10*			2010-11*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
• One Time Cost Reductions	-	-500	-	-	-500	-
• Carryover/Reappropriation	-	98	-	-	-	-
• Miscellaneous Adjustments	-	-	-	-	-400	-
<b>Totals, Other Workload Budget Adjustments</b>	<b>\$-</b>	<b>-\$1,359</b>	<b>-</b>	<b>\$-</b>	<b>-\$884</b>	<b>-</b>
<b>Totals, Workload Budget Adjustments</b>	<b>\$-</b>	<b>-\$1,359</b>	<b>-</b>	<b>\$-</b>	<b>-\$847</b>	<b>0.5</b>
<b>Totals, Budget Adjustments</b>	<b>\$-</b>	<b>-\$1,359</b>	<b>-</b>	<b>\$-</b>	<b>-\$847</b>	<b>0.5</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions/Personnel Years			Expenditures		
	2008-09	2009-10	2010-11	2008-09*	2009-10*	2010-11*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	78.2	85.0	85.0	\$5,110	\$4,975	\$5,820
Estimated Salary Savings	-	-4.2	-3.7	-	-277	-240
<b>Net Totals, Salaries and Wages</b>	<b>78.2</b>	<b>80.8</b>	<b>81.3</b>	<b>\$5,110</b>	<b>\$4,698</b>	<b>\$5,580</b>
Staff Benefits	-	-	-	1,849	2,191	2,362
<b>Totals, Personal Services</b>	<b>78.2</b>	<b>80.8</b>	<b>81.3</b>	<b>\$6,959</b>	<b>\$6,889</b>	<b>\$7,942</b>
OPERATING EXPENSES AND EQUIPMENT				\$3,816	\$4,883	\$4,440
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$10,775</b>	<b>\$11,772</b>	<b>\$12,382</b>

2 Local Assistance	Expenditures		
	2008-09*	2009-10*	2010-11*
Grants and Subventions	\$108,435	\$96,598	\$96,500
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$108,435</b>	<b>\$96,598</b>	<b>\$96,500</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2008-09*	2009-10*	2010-11*
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$9,740	\$9,264	\$8,477
Allocation for employee compensation	8	-	-
Adjustment per Section 3.60	-2	12	-
Reduction per Section 3.90	-94	-674	-
<b>Totals Available</b>	<b>\$9,652</b>	<b>\$8,602</b>	<b>\$8,477</b>
Unexpended balance, estimated savings	-1,763	-500	-
<b>TOTALS, EXPENDITURES</b>	<b>\$7,889</b>	<b>\$8,102</b>	<b>\$8,477</b>
0567 Gambling Control Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$3,422	\$3,196	\$3,136
Allocation for employee compensation	3	-	-
Adjustment per Section 3.60	-1	4	-
Reduction per Section 3.90	-33	-231	-
Adjustment per Section 3.55	-	-10	-
011 Budget Act appropriation (Loan to the General Fund)	(10,000)	-	-

\* Dollars in thousands, except in Salary Range.

**0855 California Gambling Control Commission - Continued**

<b>1 STATE OPERATIONS</b>	<b>2008-09*</b>	<b>2009-10*</b>	<b>2010-11*</b>
<b>Totals Available</b>	<b>\$3,391</b>	<b>\$2,959</b>	<b>\$3,136</b>
Unexpended balance, estimated savings	-689	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,702</b>	<b>\$2,959</b>	<b>\$3,136</b>
<b>3131 California Bingo Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	\$769	\$769
Reduction per Section 3.90	-	-58	-
Chapter 734, Statutes of 2008	\$500	-	-
Reduction per Section 3.90	-4	-	-
<b>Totals Available</b>	<b>\$496</b>	<b>\$711</b>	<b>\$769</b>
Unexpended balance, estimated savings	-312	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$184</b>	<b>\$711</b>	<b>\$769</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$10,775</b>	<b>\$11,772</b>	<b>\$12,382</b>
<b>2 LOCAL ASSISTANCE</b>			
<b>2008-09* 2009-10* 2010-11*</b>			
<b>0366 Indian Gaming Revenue Share Trust Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$96,500	\$96,500	\$96,500
Prior year balances available:			
Chapter 720, Statutes of 2005	7,257	-	-
<b>Totals Available</b>	<b>\$103,757</b>	<b>\$96,500</b>	<b>\$96,500</b>
Unexpended balance, estimated savings	-26,757	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$77,000</b>	<b>\$96,500</b>	<b>\$96,500</b>
<b>0367 Indian Gaming Special Distribution Fund</b>			
APPROPRIATIONS			
111 Budget Act appropriation (Transfer to Indian Gaming Revenue Sharing Trust Fund) as amended by Chapter 269, Statutes of 2008	(\$50,000)	-	-
111 Budget Act appropriation (Trsf to Indian Gaming Revenue Sharing Trust Fd) as amended by Chapter 1, Statutes of 2009, Fourth Extraordinary Session	-	(\$50,000)	-
111 Budget Act appropriation (Trsf to Indian Gaming Revenue Sharing Trust Fd)	-	-	(\$50,000)
Chapter 754, Statutes of 2008	30,000	-	-
Prior year balances available:			
Chapter 754, Statutes of 2008	-	98	-
<b>Totals Available</b>	<b>\$30,000</b>	<b>\$98</b>	<b>\$-</b>
Balance available in subsequent years	-98	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$29,902</b>	<b>\$98</b>	<b>\$-</b>
<b>3132 Charity Bingo Mitigation Fund</b>			
APPROPRIATIONS			
111 Budget Act appropriation (Transfer to the Indian Gaming Special Distribution Fund)	-	-	(\$3,467)
Chapter 748, Statutes of 2008	\$5,000	-	-
Prior year balances available:			
Chapter 748, Statutes of 2008	-	\$3,467	-
<b>Totals Available</b>	<b>\$5,000</b>	<b>\$3,467</b>	<b>\$-</b>
Unexpended balance, estimated savings	-	-3,467	-
Balance available in subsequent years	-3,467	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,533</b>	<b>\$-</b>	<b>\$-</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$108,435</b>	<b>\$96,598</b>	<b>\$96,500</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$119,210</b>	<b>\$108,370</b>	<b>\$108,882</b>

\* Dollars in thousands, except in Salary Range.

## 0855 California Gambling Control Commission - Continued

### FUND CONDITION STATEMENTS

	2008-09*	2009-10*	2010-11*
<b>0367 Indian Gaming Special Distribution Fund <sup>s</sup></b>			
BEGINNING BALANCE	\$191,706	\$136,429	\$117,239
Prior year adjustments	<u>1,060</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$192,766	\$136,429	\$117,239
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125700 Other Regulatory Licenses and Permits	41	40	40
125800 Renewal Fees	33	32	32
142500 Miscellaneous Services to the Public	748	748	748
150300 Income From Surplus Money Investments	3,334	3,334	3,334
162000 Tribal Gaming Revenues	44,355	40,980	40,980
Transfers and Other Adjustments:			
FO3132 From Charity Bingo Mitigation Fund per Item 0855-111-3132, Budget Act of 2010	-	-	3,467
TO0366 To Indian Gaming Revenue Share Trust Fund per Item 0855-001-0367, Budget Acts	-39,200	-33,700	-50,000
TO3132 To Charity Bingo Mitigation Fund loan per Chapter 748, Statutes of 2008	<u>-5,000</u>	<u>-</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$4,311</u>	<u>\$11,434</u>	<u>-\$1,399</u>
Total Resources	\$197,077	\$147,863	\$115,840
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0820 Department of Justice (State Operations)	14,901	14,060	14,146
0840 State Controller (State Operations)	-	23	57
0855 California Gambling Control Commission			
State Operations	7,889	8,102	8,477
Local Assistance	29,902	98	-
4200 Department of Alcohol and Drug Programs			
State Operations	3,870	4,165	4,484
Local Assistance	4,000	4,000	4,000
8380 Department of Personnel Administration (State Operations)	85	176	-
8880 Financial Information System for California (State Operations)	-	-	18
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	<u>1</u>	<u>-</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$60,648</u>	<u>\$30,624</u>	<u>\$31,182</u>
FUND BALANCE	\$136,429	\$117,239	\$84,658
Reserve for economic uncertainties	136,429	117,239	84,658
<b>0567 Gambling Control Fund <sup>s</sup></b>			
BEGINNING BALANCE	\$15,207	\$7,985	\$10,285
Prior year adjustments	<u>-292</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$14,915	\$7,985	\$10,285
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	10,740	11,167	11,167
125700 Other Regulatory Licenses and Permits	387	423	423
125800 Renewal Fees	639	422	422
125900 Delinquent Fees	19	19	19
142500 Miscellaneous Services to the Public	595	639	639
150300 Income From Surplus Money Investments	215	318	318
161400 Miscellaneous Revenue	-	2	2

\* Dollars in thousands, except in Salary Range.

**0855 California Gambling Control Commission - Continued**

	2008-09*	2009-10*	2010-11*
Transfers and Other Adjustments:			
TO0001 To General Fund Loan per Item 0855-011-0567, Budget Act of 2008	-10,000	-	-
TO3131 To California Bingo Fund Loan per Provision 1 of Item 0855-001-0567, Budget Acts	-	-457	-769
TO3131 To California Bingo Fund Loan per Chapter 748, Statutes of 2008	<u>-500</u>	<u>-</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$2,095</u>	<u>\$12,533</u>	<u>\$12,221</u>
Total Resources	\$17,010	\$20,518	\$22,506
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0820 Department of Justice (State Operations)	6,317	7,266	7,603
0840 State Controller (State Operations)	6	8	20
0855 California Gambling Control Commission (State Operations)	2,702	2,959	3,136
8880 Financial Information System for California (State Operations)	<u>-</u>	<u>-</u>	<u>7</u>
Total Expenditures and Expenditure Adjustments	<u>\$9,025</u>	<u>\$10,233</u>	<u>\$10,766</u>
FUND BALANCE	\$7,985	\$10,285	\$11,740
Reserve for economic uncertainties	7,985	10,285	11,740
<b>3131 California Bingo Fund <sup>s</sup></b>			
BEGINNING BALANCE	-	\$336	\$128
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
125700 Other Regulatory Licenses and Permits	\$20	46	46
Transfers and Other Adjustments:			
FO0567 From Gambling Control Fund Loan per Provision 1 of Item 0855-001-0567, Budget Acts	-	457	769
FO0567 From Gambling Control Fund Loan per Chapter 748, Statutes of 2008	<u>500</u>	<u>-</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$520</u>	<u>\$503</u>	<u>\$815</u>
Total Resources	\$520	\$839	\$943
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0855 California Gambling Control Commission (State Operations)	<u>184</u>	<u>711</u>	<u>769</u>
Total Expenditures and Expenditure Adjustments	<u>\$184</u>	<u>\$711</u>	<u>\$769</u>
FUND BALANCE	\$336	\$128	\$174
Reserve for economic uncertainties	336	128	174
<b>3132 Charity Bingo Mitigation Fund <sup>s</sup></b>			
BEGINNING BALANCE	-	\$3,467	\$3,467
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Transfers and Other Adjustments:			
FO0367 From Indian Gaming Special Distribution Fund loan per Chapter 748, Statutes of 2008	\$5,000	-	-
TO0367 To Indian Gaming Special Distribution Fund per Item 0855-111-3132, Budget Act of 2010	<u>-</u>	<u>-</u>	<u>-3,467</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$5,000</u>	<u>-</u>	<u>-\$3,467</u>
Total Resources	\$5,000	\$3,467	-
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0855 California Gambling Control Commission (Local Assistance)	<u>1,533</u>	<u>-</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$1,533</u>	<u>-</u>	<u>-</u>
FUND BALANCE	\$3,467	\$3,467	-
Reserve for economic uncertainties	3,467	3,467	-

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