



May 28, 2025

The Honorable Rob Bonta
Attorney General, CA Department of Justice, Bureau of Gambling Control
Attention: Regulations
2450 Del Paso Road, Suite 100
Sacramento, CA 95834

RE: California Attorney General Cardroom Regulations – OPPOSE

Dear Attorney General Bonta,

On behalf of the undersigned Labor Unions and Employee Associations, we respectfully oppose the cardroom regulations which your office is considering, which would ban the game blackjack and impact every other game played at cardrooms; the regulations will devastate cardroom operations and revenue. Previous Attorney Generals, including our former Vice-President Kamala Harris, have concluded cardroom games are legal in California. The regulations you are considering raise real concerns among workers cardrooms throughout California. The regulations and the impact of SB 549 raises fears among city employees as they could lose their jobs or have their salaries and benefits significantly reduced as cardroom revenue declines. You continuously and proudly stand for immigrant communities and the working class. We request that you do not negatively impact workers and families.

The Regulations Could Have a Devastating Impact on Public Sector Jobs

The regulations being considered are an attack on local cardrooms, which are a significant source of revenue for general funds in many cities across California. There are approximately 80 licensed cardrooms operating in California. Many have revenue sharing agreements with municipalities providing a significant amount of funding for essential public services like police, fire, parks and recreation for seniors and youth. The regulations combined with SB 549 could easily force cardrooms out of business and result in a loss of \$500 million in tax revenue statewide — meaning less revenue for public safety, public health, homelessness services, and infrastructure, directly impacting the safety and well-being of working families.

The loss of local tax revenue could spell devastation for many cities across California. For example, approximately 78% of the City of Hawaiian Gardens' general fund comes from cardroom revenues. Similarly, 50% of the City of Commerce's general fund comes from cardroom revenues. Larger cities like San Jose and Fresno would also be seriously impacted. The regulations being considered will destabilize

essential services. If the regulations are adopted, cities who depend on this revenue stream could be forced into municipal bankruptcy or even disincorporation. This could have potentially devastating impacts that puts jobs, pensions and the financial wellbeing of working families at risk. We have seen this happen before: the Orange County Bankruptcy.

The Regulations are Unnecessary as Cardrooms are Already Regulated

In 1998, California established the Gambling Control Act (Business and Professions Code § 19800 et seq.), creating a comprehensive scheme for statewide regulation of legal gambling under the Division of Gambling Control within the Attorney General's Office and the five-member California Gambling Control Commission, which is appointed by the Governor. Every game played in every California cardroom is individually approved, one at a time for each cardroom separately, by the Attorney General's Office. Cardrooms have operated with permission from past attorney generals. We ask that you also do as past attorney generals have done and not move forward with the regulations.

The Proposed Regulations Put Workers in the Middle

To conclude, the games played in cardrooms have been approved by the California Department of Justice. Thousands of union members employed by cardrooms face uncertainty and potential job loss due to these regulations. This is not just a business dispute-it's about protecting livelihoods and communities. We ask that you protect workers by not moving forward with the regulations so that municipal employees are not collateral damage in this pursuit to do away with cardrooms by tribes. SB 549 and the proposed regulations will cause cardroom closures which will devastate some cities who may have to file for municipal bankruptcy or disincorporate.

For these reasons, the undersigned Labor Unions and Employee Associations stand united in strongly opposing the proposed regulations and urge the Attorney General to protect cardroom jobs, local revenues, and the communities that depend on them.

Sincerely,

Lee Saunders
President
**American Federation of State,
County and Municipal Employees, AFL-CIO**

Shavon Moore-Cage
E-Board Member, Political Advocate
AFSCME Local 36

Matthew Maldonado
Executive Director
AFSCME District Council 36

Armando Soto
President
AFSCME Local 3624

Cris Muniz
Secretary
AFSCME Local 773