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Ms. Toni Melton  
Initiative Secretary  
Attorney General's Office  
1300 I Street 17<sup>th</sup> Floor  
Sacramento, CA 95814

**RECEIVED**  
JUN - 4 2007

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Re: "Pothole Repair Funded by Online Poker" Initiative

Dear Ms. Melton:

I am the proponent of initiative 0017, "Pothole Repair Funded by Online Poker".

I would like to make a non-substantive change to the wording. I forgot to put in the word "quarterly" in the following paragraph.

c) 80% of net revenues shall be apportioned per capita to incorporated cities and towns for the specific purpose of repairing potholes and broken streets. 10% shall be similarly allocated to counties to be used for the same purpose in unincorporated areas.

I would like it to read:

c) 80% of net revenues shall be apportioned *quarterly* per capita to incorporated cities and towns for the specific purpose of repairing potholes and broken streets. 10% shall be similarly allocated to counties to be used for the same purpose in unincorporated areas.

If there is any further information I can provide, please do not hesitate to contact me.

Sincerely,

Anthony Sandstrom

Article 18, Chapter 5, Division 8, (commencing with section 19990) is added to the California Business and Professions Code.

19990: This measure establishes a State of California owned, internet poker site.

- a) For the purposes of this act: (1) Section 19801, Article 1, Chapter 5, Division 8, (2) Sections 19961, 19962, 19963, 19964, Article 13, Chapter 5, Division 8, of the California Business and Professions Code, and (3) California Penal Code, sections 330, Sections 337j, 337t, shall not apply.
- b) Revenues shall be generated by a percentage rake and tournament buyin fees set at competitive industry levels.
- c) 80% of net revenues shall be apportioned quarterly per capita to incorporated cities and towns for the specific purpose of repairing potholes and broken streets. 10% shall be similarly allocated to counties to be used for the same purpose in unincorporated areas.
- d) 10% of net revenues shall be allocated to the California Gambling Addiction Program Fund.
- e) Within 45 days of passage of this act, the Governor shall appoint a Director, serving at the pleasure of the Governor, and who shall be given appropriate resources, and who is wholly responsible for the successful establishment and secure operation of the site. The site shall be operational 150 days after the appointment of the Director.
- f) Games, limits, and buyins shall be similar to prevailing online and live poker room practices.
- g) Players may play at only one table at a time.
- h) Residents, age 21 and over, from all California counties may participate.
- j) The Site shall allow participation of residents, over 21, of other states and localities where law does not prohibit an individual's participation.
- k) The State may enter into revenue and player base sharing agreements with other states, localities, and California federally recognized Indian Tribes.
- l) Should this measure be challenged, the State shall vigorously defend this measure.
- m) This act may be amended by 2/3-majority vote of both legislative houses and the Governor's concurrence.
- n) If any provision of this act is held to be invalid by a court of competent jurisdiction, the provisions of this act are severable.