

Facts about Cardroom Casino Operators

Background: Cardroom casinos and their gambling bankers are spending millions on deceptive attacks against California Indian tribes and tribal gaming. These cardroom casinos have a well-documented history of flouting the law and have been fined millions of dollars for violating anti-money laundering laws, misleading regulators, and operating illegal gambling. It's time to finally hold these bad actor cardroom casinos accountable and crack down on unlawful gambling. Here are some facts about the bad actor cardroom casinos – many of whom are funding this deceptive campaign:

Money Laundering

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High roller laundered millions brought in duffel bags to California casino, feds say...

”

Sacramento Bee, November 9, 2021

- ◆ In March 2021, the *CA Department of Justice* settled with Artichoke Joe's for “**\$5.3 million** for misleading gambling regulators and **violating the Bank Secrecy Act, a federal law intended to combat money laundering.**”
- ◆ In November 2021, the *U.S. Department of Justice* fined the Bicycle Hotel & Casino **\$500,000** for “for failing to properly file reports for a **foreign national who conducted millions of dollars in cash transactions** at the casino.”
- ◆ According to the *Office of the Attorney General*, Hawaiian Gardens Casino was penalized **\$3.1 million** by the California Department of Justice “for misleading gambling regulators and **violating the Bank Secrecy Act.**”
- ◆ According to the *U.S. Attorney's Office*, 25 people were charged for participating in an **operation that laundered roughly \$10 million** in gambling proceeds through Village Club Card Room and the Palomar Card Room.

Operating Illegal Gambling

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California card clubs raided in massive gambling probe.

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Associated Press, December 9, 2015

- ◆ According to the *U. S. Department of Justice*, the owner of Lucky Lady Card Room in San Diego and 13 others were indicted for **operating a sophisticated bookmaking ring** that used the cardroom as a legitimate **front for the illicit operation.**
- ◆ In August 2021, the *California's Attorney General* the Lucky Lady Card Room was **penalized \$175,000** for **operating an illegal sports betting operation** out of the cardroom.
- ◆ According to the *U.S. Attorney's Office*, a federal grand jury **indicted 25 people for running an illegal gambling operation** through Chula Vista and San Diego card rooms.

Drug Trafficking

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Alleged crime ring working out of card clubs indicted for loansharking, narcotics.

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KQED, March 3, 2011

- ◆ According to the *Federal Bureau of Investigation*, a federal grand jury indicted 15 individuals with committing racketeering, extortionate extension of credit, and **narcotics offenses** at and through Artichoke Joe's Casino and Oaks Card Club. The federal indictment alleged these individuals **used the cardrooms' facilities and assets to distribute illegal drugs.**

Bribery

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FBI suspected bribery attempts by card room operators: Docs.

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ABC 7 San Diego, June 29, 2017

- ◆ According to *United States Department of Justice*, the Federal Bureau of Investigation suspected two San Diego **card club room operators of trying to bribe San Diego politicians.** In the affidavit, the FBI agent reported that the owner of the Lucky Lady Card Room **bragged about his influence over the City Council** to another defendant in the case.

Misleading Regulators

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Hawaiian Gardens casino to pay California \$3.15 million, admits misleading regulators.

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Los Angeles Times, December 5, 2019

- ◆ According to the *California Department of Justice*, Artichoke Joe's was fined the **“largest agreed-upon penalty in the history of California gambling regulation,”** in part, for misleading gambling regulators.
- ◆ According to the *California Office of the Attorney General*, the Hawaiian Gardens Casino failed to disclose a Financial Crimes Enforcement Network investigation into its practices and **attempted to deceive the California DOJ for years.**

**Learn more about these bad actor cardrooms at
FactsAboutCardrooms.com**

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