

Date of Hearing: April 4, 2018

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Adam Gray, Chair

AB 1966 (Aguiar-Curry) – As Introduced January 31, 2018

**SUBJECT:** Gambling license: period to file application

**SUMMARY:** Extends from 45 to 90 days the time after receipt of an order by the Gambling Control Commission (CGCC) within which a person must apply for a gambling license or a finding of suitability.

**EXISTING LAW:**

- 1) The Gambling Control Act (Act) provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the CGCC.
- 2) Requires every person who is required to hold a state license to obtain the license prior to engaging in the activity or occupying the position with respect to which the license is required, except as specified.
- 3) Requires every person who, by order of the CGCC, is required to apply for a gambling license or a finding of suitability to file an application within 45 calendar days after receipt of the order.

**FISCAL EFFECT:** Unknown

**COMMENTS:**

Background: The Act provides the CGCC with jurisdiction over the operation of gambling establishments in California. The Act assigns the CGCC the responsibility of assuring that gambling licenses are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is harmful to the public health, safety, or welfare. The Act directs the CGCC to issue licenses only to those persons of good character, honesty and integrity, whose prior activities, criminal record, if any; reputation, habits and associations do not pose a threat to the public interest of this state. The Department of Justice Bureau of Gambling Control (DOJ or Bureau) conducts background and field investigations and enforces the provisions of the Act in this regard.

Purpose of the bill: According to the author: “Specified people or businesses can be ordered by the Gambling Control Commission to apply for a gambling license or file for “a finding of suitability,” which determines if a person would be disqualified from holding a gambling license. Current law requires that a person or business file with the commission within 45 calendar days of the order. This timeline can be unnecessarily restrictive and burdensome, particularly for smaller businesses. AB 1966 will create more flexibility in the law by increasing the filing deadline from 45 to 90 calendar days.”

Prior/Related Legislation: AB 2218 (Burke) 2015-2016 Session. Would have extended a licensing exemption for the owners of the cardroom located at the old Hollywood Park

Racetrack. Additionally, extended from 45 to 60 days the time after receipt of an order by the CGCC within which a person must apply for a gambling license or a finding of suitability. (Vetoed by Governor)

SB 472 (Hill) 2013-2014 Session Chapter 760, Statutes of 2013. Requires every person who, by order of the commission, is required to apply for a gambling license or a finding of suitability to file an application within 45 calendar days after receipt of the order.

AB 777 (Hall) 2011-2012 Session. Would have required every person who is required to hold a state gaming license to obtain the license before engaging in the activity or occupying the position with respect to which the license is required. (Not heard)

AB 2526 (Hall) 2011-2012 Session. Would have changed several definitions within the Act: 1) revised the definition of a “key employee” to any person employed in the operation of a gambling enterprise in a supervisory capacity or empowered to make discretionary decisions with regard to the gambling operations; and 2) added surveillance managers and supervisors to the definition of “key employee” for licensing purposes, etc. (Died, Senate Inactive File)

SB 730 (Florez), Chapter 438, Statutes of 2007. Made various changes to the licensing and regulatory processes related to key employees for gambling establishments under the Act.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on file.

**Opposition**

None on file.

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