

CALIFORNIA GAMBLING CONTROL COMMISSION

CGCC-GCA-2008-N-2

ORDER OF ADOPTION

The California Gambling Control Commission hereby adopts the following changes without regulatory effect, pursuant to 1 CCR § 100, in its regulations contained in Division 18 of Title 4 of the California Code of Regulations:

CHAPTER 1. GENERAL PROVISIONS.

§ 12002. General Definitions.

Unless otherwise specified, the definitions in Business and Professions Code section 19805, supplemented by the definitions found in Chapter 10 of Title 9 of Part 1 of the Penal Code (commencing with section 330), shall govern the construction of this division. As used in this division:

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(b) "Bureau" means the Bureau of Gambling Control in the California Department of Justice. For the filing of any information, reports or forms, Bureau refers to the Sacramento office of the Bureau of Gambling Control.

~~(bc)~~ "California Games" means controlled games that feature a rotating player-dealer position, as described in Penal Code section 330.11.

~~(ed)~~ "Commission" means the California Gambling Control Commission.

~~(de)~~ "Conviction" means a plea or verdict of guilty or a plea of *nolo contendere*, irrespective of a subsequent order of expungement under the provisions of Penal Code section 1203.4, 1203.4a, or 1203.45, or a certificate of rehabilitation under the provisions of Penal Code section 4852.13. Any plea entered pursuant to Penal Code section 1000.1 does not constitute a conviction for purposes of Business and Professions Code section 19859, subdivisions (c) or (d) unless a judgment of guilty is entered pursuant to Penal Code section 1000.3.

~~(ef)~~ "Deadly weapon" means any weapon, the possession or concealed carrying of which is prohibited by Penal Code section 12020.

~~(f) "Division" means the Division of Gambling Control in the California Department of Justice. For the filing of any reports or forms, Division refers to the Sacramento office of the Division of Gambling Control.~~

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Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19853(a)(3), and 19854, Business and Professions Code. Reference: Sections 7.5, 19800, 19805, 19811, 19816, and 19951, Business and Professions Code.

CHAPTER 2. WORK PERMITS.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

§ 12100. Definitions.

The following definitions govern the construction of the regulations contained in this Chapter:

* * * *

(b) “Gambling Enterprise Employee” has the same meaning as defined in Business and Professions Code section 19805, subdivision (~~4m~~).

(c) “Gambling Establishment” or “Establishment” has the same meaning as defined in Business and Professions Code section 19805, subdivision (~~4m~~).

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Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code. Reference: Sections 10, 19800, 19811, 19816 and 19912, Business and Professions Code.

§ 12101. Forms

The following forms shall be used as specified in this chapter:

(a) “Renewal Work Permit Application Form” means the “Application for Work Permit Renewal” CGCC-~~023~~ (Rev. ~~12-06~~ 04/08) which is hereby incorporated by reference.

(b) “Replacement Badge Application” means the “Application for Replacement Work Permit Badge” CGCC-~~026~~ (Rev. ~~12-06~~ 04/08) which is hereby incorporated by reference.

(c) “Transfer of Work Permit Application Form” means the “Application for Transfer of Work Permit” CGCC-~~022~~ (Rev. ~~12-06~~ 04/08) which is hereby incorporated by reference.

(d) “Work Permit Application Form” means the “Application for Initial Regular ~~and~~ Work Permit/Temporary Work Permit” CGCC-~~021~~ (Rev. ~~12-06~~ 04/08) which is hereby incorporated by reference.

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code. Reference: Sections 10, 19800, 19811, 19816 and 19912, Business and Professions Code.

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ARTICLE 3. TEMPORARY WORK PERMITS.

§ 12120. Temporary Work Permits.

(a) While the ~~Division~~ Bureau is processing an application for a regular work permit, and subject to ~~s~~Section 12122, the Executive Director, or any employee of the Commission designated in writing by the Executive Director, may issue a temporary work permit pursuant to this article, which shall be valid for no more than 120 days. The duration of the temporary work permit shall not substantially exceed the estimated time to process and consider the application for a regular work permit, but may be extended if necessary; provided that in no event shall a temporary work permit be valid for more than 120 days. Any temporary work permit issued in accordance with this article shall not create a property right in its holder. In order to protect the public, each temporary work permit shall be issued subject to the conditions specified in ~~s~~Section 12128.

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Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code. Reference: Sections 10, 19801(j), 19811, 19816, 19866, 19910 and 19912, Business and Professions Code.

§ 12122. Criteria for the Issuance of Temporary Work Permits.

The Executive Director shall issue a temporary work permit if all of the following requirements are met:

* * * *

(c) Neither the application in its entirety nor the results of the investigation of the applicant reported by the ~~Division~~ Bureau to the Commission up until the date of issuance of the temporary work permit discloses any of the following:

* * * *

(2) The applicant has, within the 10-year period immediately preceding the submission of the application, been convicted of any of the following offenses, not including convictions which have been expunged or dismissed as provided by law:

* * * *

(D) A misdemeanor involving violations of the ~~Gambling Control~~ Act.

* * * *

(5) The applicant is disqualified under the ~~Gambling Control~~ Act or other provisions of law from holding a work permit.

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(d) The ~~Division~~ Bureau has reported one of the following to the Commission concerning the Request for Live Scan Service submitted to the BCII:

* * * *

(2) No response from the BCII or Federal authorities has been received within the time period set forth in subsection (b) of ~~s~~Section 12126.

* * * *

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code.
Reference: Sections 19811, 19816, 19823, 19859 and 19912, Business and Professions Code.

§ 12128. Cancellation of Temporary Work Permit.

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(b) A temporary work permit shall be cancelled by the Executive Director at any time if any of the following applies:

(1) The Commission determines that it has received reliable information that the holder of the temporary work permit is ineligible under subsection (c) of ~~s~~Section 12122, has failed to reveal any fact material to the holder's qualification for a temporary work permit, or has supplied information to the Commission that is untrue or misleading as to a material fact pertaining to the criteria for issuance of temporary work permits.

(2) Pursuant to Business and Professions Code section 19826, the ~~Division~~ Bureau recommends denial of a regular work permit to the applicant.

* * * *

(c) If any of the circumstances set forth in subsection (b) applies, then the Executive Director or his or her designee shall immediately do all of the following:

(1) Notify the temporary work permit holder, the gambling establishment, the local law enforcement agency, and the ~~Division~~ Bureau in writing of the cancellation of the temporary work permit and the grounds thereof.

* * * *

Note: Authority cited: Sections 19811, 19823, 19824, 19840 and 19841, Business and Professions Code.
Reference: Sections 10, 19801, 19816, 19824(f) and 19912(a) and (d), Business and Professions Code.

ARTICLE 4. CHANGE IN PLACE OF EMPLOYMENT – WORK PERMIT TRANSFER.

§ 12130. Change in Place of Employment – Work Permit Transfer.

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(b) The Executive Director shall issue a regular work permit to an applicant for a new place of employment if all of the following conditions are met:

* * * *

(2) The applicant has supplied all of the following to the Commission:

~~(i)-(A)~~ (A) The applicant's name, mailing address, residence street address (if different than mailing address), telephone number, e-mail address (optional), and date of birth.

~~(ii)-(B)~~ (B) A two by two inch color passport-style photograph taken no more than 30 days before submission to the Commission of the work permit transfer request.

~~(iii)-(C)~~ (C) A nonrefundable \$ 25.00 fee payable to the Commission.

~~(iv)-(D)~~ (D) Information concerning the new employer in which the position is available: the name of the gambling establishment, mailing address, voice telephone number, facsimile number (if any), e-mail address (if any), the job title of the position, and the name of the owner, authorized agent, or hiring authority of the establishment.

(3) The applicant possesses a valid work permit issued by the Commission or the ~~Division~~ Bureau that has been issued or renewed within a two-year period immediately preceding the date that the work permit transfer application is received by the Commission. The applicant shall provide the Commission with a photocopy of the valid work permit.

* * * *

(d) If a work permit is issued pursuant to this section, the Executive Director shall promptly inform the ~~Division~~ Bureau in writing of this decision.

* * * *

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code.
Reference: Sections 10, 19801, 19816, 19824(f) and 19912(d), Business and Professions Code.

ARTICLE 5. REPLACEMENT WORK PERMIT BADGES.

§ 12140. Replacement Work Permit Badges.

(a) The Executive Director shall issue a replacement work permit badge to a gambling enterprise employee if all of the following conditions are met:

* * * *

(3) The applicant has supplied all of the following to the Commission:

~~(i)-(A)~~ (A) The applicant's name, mailing address, residence street address (if different than mailing address), telephone number, e-mail address (optional), and date of birth.

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~~(ii)~~(B) A two by two inch color passport-style photograph taken no more than 30 days before submission to the Commission of the work permit transfer request.

~~(iii)~~(C) A nonrefundable \$ 25.00 fee payable to the Commission.

~~(iv)~~(D) Information concerning the gambling establishment for which the replacement badge is requested: the name of the gambling establishment, mailing address, voice telephone number, facsimile number (if any), e-mail address (if any), the job title of the position, and the name of the owner, authorizing agent, or hiring authority of the establishment.

* * * *

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19912, Business and Professions Code.
Reference: Sections 10, 19801, 19816, 19824(f) and 19912, Business and Professions Code.

CHAPTER 2.1. THIRD-PARTY PROVIDERS OF PROPOSITION PLAYER SERVICES: REGISTRATION; LICENSING.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

§ 12200. Definitions.

(a) Except as otherwise provided in ~~s~~Section 12002 and in subsection (b) of this regulation, the definitions in Business and Professions Code section 19805 shall govern the construction of this chapter.

(b) As used in this chapter:

(1) “Additional Badge” means a badge issued by the Commission pursuant to Section 12200.6, which authorizes an individual registrant or licensee to be simultaneously employed by more than one primary owner.

* * * *

~~(8) “Division” means the Division of Gambling Control in the California Department of Justice. Information that this chapter requires to be sent to the Division shall be submitted in writing to the Sacramento office of the Division. [RESERVED]~~

* * * *

(12) “License” means a license issued by the Commission pursuant to ~~a~~Article 3 of this chapter.

* * * *

(14) “Organization chart” means a chart that identifies the names and titles of all owners, as defined in ~~s~~Section 12200, supervisors, and any persons having significant influence over the

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operation of the entity or provision of proposition player services; the percentage of ownership, if any, held by each identified individual or entity; the reporting relationship for each identified individual or entity; and the job title and number of persons in each of the job titles that report to each individual or entity identified on the organization chart.

* * * *

(20) “Proposition player contract” or “contract” means a written contract, the terms of which have been reviewed and approved by the ~~Division~~ Bureau, between the holder of a state gambling license and a primary owner acting as an independent contractor for the provision of third-party proposition player services in the gambling establishment.

* * * *

(27) “Supplemental information package” means all of the documentation and deposits required by each of the following forms (which are hereby incorporated by reference) to be submitted to the Commission in response to a summons issued by the ~~Division~~ Bureau pursuant to Section 12205.1:

(A) Owners, as defined in Section 12200, that are a natural person shall complete the form Level III Supplemental Information-Individual (~~DGCBGC-APP--034A~~; ~~(New 08/04Rev. 11/07)~~) for a level III investigation.

(B) Owners, as defined in Section 12200 that are not a natural person shall complete the form Level III Supplemental Information-Business (~~DGCBGC-APP--034B~~; ~~(New 08/04Rev. 11/07)~~) for a level III investigation.

(C) Supervisors, as defined in Section 12200, shall complete the form Level II Supplemental Information (~~DGCBGC-APP--033~~; ~~(New 08/04Rev. 11/07)~~) for a level II investigation.

(D) Other employees and players, as defined in Section 12200, shall complete the form Level I Supplemental Information (~~DGCBGC-APP--032~~; ~~(New 08/04Rev. 11/07)~~) for a level I investigation.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19805 and 19984, Business and Professions Code.

§ 12200.3. Badge.

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(b) A badge authorizing play in a controlled game shall be of a distinctly different color than

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a badge ~~which~~ that identifies a registrant or licensee, but does not authorize play. If an individual ceases to be employed by or affiliated with a particular primary owner, that individual shall surrender his or her badge to the primary owner. The primary owner shall notify the Commission and the ~~Division~~ Bureau in writing within ten (10) days of the change in status using the Change in Status Form for a Third Party Proposition Player Services Registration (CGCC-441, (Rev. 09/04)), which is hereby incorporated by reference; with this form, the primary owner shall submit the registrant's or licensee's badge.

* * * *

(d) On the front of the badge, there shall be displayed the picture of the registrant or licensee submitted with the application, the badge number, and expiration date. On the front of the badge, there shall be displayed the name of the primary owner employing the registrant or licensee, which shall be the fictitious business name, if any, established pursuant to Chapter 5 (commencing with ~~S~~section 17900) of Part 3 of Division 7 of the Business and Professions Code.

* * * *

(f) An individual registered or licensed as a player with a particular primary owner shall apply for and obtain a new badge pursuant to ~~s~~Section 12200.6 before beginning to work for an additional or different primary owner.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.7. Proposition Player Contract Criteria.

* * * *

(b) Each proposition player contract shall specifically require all of the following to be separately set forth at the beginning of the contract in the following order:

* * * *

(3) The specific name of the ~~Division~~ Bureau-approved gaming activities for which proposition player services may be provided.

* * * *

(16) That any legal dispute between the primary owner and the house, including any exclusion of a registered or licensed owner, player, or supervisor covered by the contract with the house shall be reported in writing within ten (10) days by the primary owner and the house to

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both the Commission and the ~~Division~~ Bureau.

(17) That the primary owner and the house shall report in writing within ten (10) days to both the Commission and the ~~Division~~ Bureau the identity of any registrant whose activities are covered by the proposition player contract and who is arrested in the gambling establishment by a peace officer, who is removed from the gambling establishment by a peace officer or the house, or who is involved in a patron dispute regarding his or her activities in the gambling establishment that is the subject of a report to a peace officer and that results in removal of one or more individuals.

(18) That any cheating reported to the house by a registrant or licensee shall be reported in writing within five (5) days of the incident by the primary owner and the house to the Commission and ~~Division~~ Bureau.

* * * *

(22) That the contract is a complete expression of all agreements and financial arrangements between the parties; that any addition to or modification of the contract, including any supplementary written or oral agreements, must be approved in advance by the ~~Division~~ Bureau pursuant to Section 12200.10B (Review and Approval of Amendments to Proposition Player Contracts) before the addition or modification takes effect.

(c)(1) Except as expressly authorized by this subsection ~~(e)~~, a proposition player contract shall not include any provision authorizing payment to or receipt by the house, or a designee thereof, of any share of the profits or revenues of a registrant or a licensee. Any payments made by a registrant or licensee to the house for a purpose determined by agreement with the house shall be specifically authorized by the proposition player contract. All payments shall be specified in the contract. The contract shall identify the total charge for each of the following categories: services, facilities, and advertising. In addition, the contract shall include a detailed list, excluding specific costs, of the items provided or received in each of these categories.

* * * *

(d) The proposition player contract shall not contain any provision that limits contact with officials or employees of the Commission or ~~Division~~ Bureau. The proposition player contract shall prohibit an owner or the house from retaliating against any registrant or licensee on account of contact with an official or employee of the Commission or ~~Division~~ Bureau or any other public official or agency.

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(f) Each proposition player contract approved by the ~~Division~~ Bureau shall contain a provision authorizing the Commission, after receiving the findings and recommendation of the ~~Division~~ Bureau, to terminate the contract for any material violation of any term required by this section.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.9. Review and Approval of Proposition Player Contracts.

(a)(1) ~~On and after April 30, 2004, p~~Proposition player services shall not be provided except pursuant to a written proposition player contract approved in advance by the ~~Division~~ Bureau. Provision of proposition player services by any person subject to registration or licensing under this chapter, or engagement of proposition player services by the holder of a state gambling license, without a contract as required by this section is a violation of this section. ~~The~~ Division Bureau shall approve a proposition player contract only if all the following requirements have been satisfied:

* * * *

(2) Prior to December 7, 2003, each primary owner providing proposition player services at a gambling establishment on the date that these regulations originally became effective (November 6, 2003) shall submit an Application for Contract Approval Provider of Proposition Player Services (~~DGCBGC-APP--030, r~~ (Rev. 09/0311/07)), which is hereby incorporated by reference.

(3) A complete application for contract approval shall include all of the following:

(A) A completed Application for Contract Approval to Provide Proposition Player Services (~~DGCBGC-APP--030, r~~ (Rev. 08/0411/07)), which is hereby incorporated by reference.

(B) A completed Appointment of Designated Agent for Owners and Proposition Players (~~DGCBGC-APP--031, r~~ (Rev. 08/0411/07)), which is hereby incorporated by reference.

* * * *

(D) A playing book form that specifically addresses all of the requirements of ~~s~~Section 12200.13.

* * * *

(F) The deposit as required by Title 11, California Code of Regulations, ~~s~~Section

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2037(a)(2)(A). The ~~Division~~ Bureau may require an additional sum to be deposited to pay the final costs of the review and approval or disapproval of the contract. Any money received as a deposit in excess of the costs incurred in the review and approval or disapproval of the contract will be refunded and an itemized accounting will be provided to the primary owner, or primary owner's designee.

(4) The ~~Division~~ Bureau shall notify the applicant, in writing, within ten working days of receiving the application that the application or resubmitted application is complete or incomplete. If an application is incomplete, the ~~Division~~ Bureau shall request, in writing, any information, fees, or documentation needed to complete the application. Unless extended by the ~~Division~~ Bureau for further investigation up to 90 days or with the consent of the applicant, review and approval or disapproval of a proposition player contract shall be completed within 90 days of receiving a completed application and notice thereof shall be sent via United States mail to the applicant or the applicant's designee within ten (10) days of the ~~Division's~~ Bureau's decision. Notice of disapproval of the contract or amendments shall specify the cause.

(b) An executed copy of the currently effective contract, and all amendment(s) thereto, and a copy of all ~~Division~~ Bureau notices that approved the contract and any amendment shall be maintained at the gambling establishment and shall be provided for review or copying upon request by any representative of the Commission or ~~Division~~ Bureau.

(c) The term of any proposition player contract shall not exceed one year and shall not be extended or renewed without the prior approval of the ~~Division~~ Bureau. No amendment changing any of the contract terms referred to in Section 12200.7, other than paragraphs (3), (4), and (6) of subsection (b) thereof, may become effective during the term of a proposition player contract without the prior written approval of the ~~Division~~ Bureau. If any amendment is made to a proposition player contract term specified in paragraphs (3), (4), or (6) of subsection (b) of Section 12200.7, both parties to the contract shall notify the Commission and ~~Division~~ Bureau in writing of the amendment within 10 days of the execution thereof by the parties to the contract.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code

§ 12200.10A. Expedited Review and Approval of Proposition Player Contracts.

(a) In lieu of the procedure specified in Section 12200.9, the ~~Division~~ Bureau shall provide an expedited review process of an application for contract approval if all of the following

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conditions exist:

(1) Proposition player services were provided in the gambling establishment at any time during the 60 days preceding the application pursuant to a contract that was previously approved by the ~~Division~~ Bureau and that has been terminated in whole or in part.

* * * *

(3) The terms of the proposed contract are substantially identical to the contract previously approved by the ~~Division~~ Bureau under which proposition player services were provided in the gambling establishment at any time during the 60 days preceding the application.

(b) If an application for contract approval is submitted as an expedited contract request and the ~~Division~~ Bureau determines that it does not meet the criteria, the primary owner or designee and the house shall be notified within three (3) business days of the ~~Division's~~ Bureau's decision. Any contract that is not processed through the expedited review and approval process shall be treated as a new contract request and reviewed and approved or disapproved as otherwise provided by Section 12200.9(a).

(c) The ~~Division~~ Bureau shall complete the expedited review and approval of a contract within five (5) business days of receiving all of the following:

(1) A completed Application for Contract Approval to Provide Proposition Player Services (~~DGCBGC-APP-030, (Rev. 08/0411/07)~~), ~~which is hereby incorporated by reference~~ referenced in Section 12200.9.

(2) A completed Appointment of Designated Agent for Owners and Proposition Players (~~DGCBGC-APP-031, (Rev. 08/0411/07)~~), ~~which is hereby incorporated by reference~~ referenced in Section 12200.9.

* * * *

(6) An expedited processing fee of one hundred and fifty dollars (\$150) and a sum of money that, in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated processing costs in accordance with Business and Professions Code section 19867.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12200.10B. Review and Approval of Amendments to Proposition Player Contracts.

(a) Requests to review and approve an amendment to a proposition player contract shall be submitted with an application for approval (see Section 12200.9(a)(3)(A)) along with an

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executed copy of the contract, a five hundred dollar (\$500) nonrefundable application fee, and a four hundred and fifty dollar (\$450) deposit as required by Title 11, California Code of Regulations, ~~s~~Section 2037(a)(2)(B). The ~~Division~~ Bureau may require an additional sum to be deposited to pay the final costs of the review and approval or disapproval of the amendment. Any money received as a deposit in excess of the costs incurred in the review and approval or disapproval of the amendment shall be refunded and an itemized accounting shall be provided to the primary owner or the primary owner's designee.

(b) No amendment changing any of the contract terms referred to in Section 12200.7, other than paragraphs (3), (4), and (6) of subsection (b) thereof, may become effective during the term of a proposition player contract without the prior written approval of the ~~Division~~ Bureau. If any amendment is made to a proposition player contract term specified in paragraphs (3), (4), or (6) of subsection (b) of Section 12200.7, both parties to the contract shall notify the Commission and ~~Division~~ Bureau in writing of the amendment within ten (10) days of the execution thereof by the parties to the contract.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12200.10C. Submission of Contract or Amendment to Commission.

(a) As soon as is practicable after determining that any application for approval of a proposition player contract or amendment is complete and that the contract or amendment appears to qualify for approval, but in no event more than 75 days from receipt of the application package, the ~~Division~~ Bureau shall submit the contract or amendment to the Executive Director for review and comment. The Executive Director shall provide the ~~Division~~ Bureau with comments, if any, within 15 days of receipt of the contract or amendment. This paragraph does not apply to expedited approval under Section 12200.10A.

(b) A copy of the ~~Division's~~ Bureau's notice of approval or disapproval of a proposition player contract or amendment thereto shall be sent to the Commission.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.11. Extension of Proposition Player Contracts.

(a) An application for approval of a contract to continue proposition player services shall include all of the following:

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(1) A completed Application for Contract Approval to Provide Proposition Player Services (~~DGCBGC-APP-030~~, Rev. 08/0411/07), ~~which is hereby incorporated by reference~~ referenced in subsection (c) of Section 12200.9.

* * * *

(5) A deposit in such amount as, in the judgment of the ~~Director~~ Chief of the Division Bureau, will be sufficient to pay the anticipated processing costs. The ~~Division Bureau~~ may require an additional sum to be deposited to pay the final costs of the review and approval or disapproval of the contract. Any money received as a deposit in excess of the costs incurred in the review and approval or disapproval of the contract will be refunded and an itemized accounting will be provided to the primary owner, or primary owner's designee.

(b) The application shall be submitted to the ~~Division Bureau~~ Bureau no later than 90 days prior to the date that the current contract is scheduled to expire.

(c) As soon as is practicable after determining that any application for approval of a proposition player contract extension is complete and that the contract extension appears to qualify for approval, but in no event more than 75 days from receipt of the application, the ~~Division Bureau~~ shall submit the contract extension to the Commission for review and comment. The Commission shall provide the ~~Division Bureau~~ with comments, if any, within 15 days of receipt of the contract extension.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12200.13. Playing Book.

(a) The primary owner shall be responsible for assuring that its players maintain accurate, complete, and up-to-date playing books for all sessions of play worked in conformity with regulations of the Commission. The information in the playing-book record shall be transferred to the primary owner, or a supervisor designated by the primary owner at the end of each session of play. The primary owner shall maintain this information in English at a single location in the State of California, and shall maintain the original playing book records in the State of California, for at least five (5) years. The location or locations where the records of this information and the original playing book records are maintained, and any change therein, shall be disclosed to the Commission and ~~Division Bureau~~ by written notice, mailed or delivered within five (5) business days after establishing or changing such a location.

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(b) The playing book shall be prepared and maintained as follows:

(1) The playing book form shall be reviewed and approved or disapproved during the review of the contract by the ~~Division~~ Bureau.

(2) Each form in the playing book shall be recorded in ink and include, but not be limited to, the following information:

* * * *

(H) The specific name of the ~~Division~~ Bureau-approved gaming activity.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.14. Organization Chart and Employee Report.

(a) No later than September 1, 2004, each registered or licensed primary owner shall submit a current organization chart and a listing of all employees by name and title to the ~~Division~~ Bureau and the Commission. The listing of employees shall be submitted on the form Third Party Proposition Player Services Employee Report (CGCC-440, (Rev. 09/04)), which is hereby incorporated by reference.

(b) Upon renewal of the registration or license, each registered or licensed primary owner shall submit an updated organization chart and a listing of all employees by name and title to the ~~Division~~ Bureau and the Commission.

(c) The primary owner shall notify the ~~Division~~ Bureau and the Commission in writing within ten (10) days of any change to its ownership structure.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.16. Inspections and Investigations.

(a) When requested by a representative of the ~~Division~~ Bureau, a registrant or licensee shall immediately permit the ~~Division~~ Bureau representative, in accordance with the request, to inspect, copy, or audit all requested documents, papers, books, and other records of the registrant or licensee related to the provision of proposition player services. If the records are maintained in electronic form and the registrant or licensee is requested to do so, the registrant or licensee shall provide a printed copy in English pursuant to this section within 24 hours of the request.

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(b) If requested in writing by the Executive Director, the ~~Division~~ Bureau shall conduct an inspection or investigation of a registrant or a licensee. Within 30 days of receipt of the request, the ~~Division~~ Bureau shall advise the Executive Director in writing of the status of the inspection or investigation and shall also provide an estimated date on which the inspection or investigation may reasonably be expected to be concluded. Upon completion of the inspection or investigation, the ~~Division~~ Bureau shall provide a final written report to the Executive Director.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.17. Emergency Orders.

Registrants and licensees under this chapter shall be subject to emergency orders under Business and Professions Code section 19931.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19931 and 19984 and ~~19931~~, Business and Professions Code.

§ 12200.18. Revocation.

The Commission may revoke a registration or license, upon any of the following grounds, after a hearing conducted pursuant to the same procedures applicable to the revocation of a gambling establishment license:

(a) The registrant or licensee committed, attempted to commit, or conspired to commit any acts prohibited by the ~~Gambling Control~~ Act or this chapter.

* * * *

(f) The registrant or licensee concealed or refused to disclose any material fact in any inquiry by the ~~Division~~ Bureau or the Commission.

* * * *

(h) The registrant or licensee has been lawfully excluded from being present upon the premises of any licensed gambling establishment for any reason relating to cheating or any violation of the ~~Gambling Control~~ Act by the registrant or licensee.

* * * *

(k) The registrant or licensee made wagers that were not specifically authorized by the game rules approved by the ~~Division~~ Bureau.

* * * *

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(m) Any owner knew, or failed to implement reasonable oversight procedures that would have apprised the owner, that one or more of the registrants or licensees was in violation of one or more provisions of this chapter or of the ~~Gambling Control~~ Act and failed or refused to take action to prevent the recurrence of the violation or violations.

(n) The registrant or licensee provided proposition player services to a gambling establishment without a ~~Division~~ Bureau-approved contract on and after April 30, 2004.

Note: Authority cited: Sections 19840, 19941, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12200.20. Annual Fee.

* * * *

(c) The annual fee shall be computed as follows:

(1) Beginning September 1, 2004, each primary owner shall pay the annual sum of two thousand fifty dollars (\$2050) per registrant or licensee. This fee shall be retroactive to September 1, 2004. Any overpayment of fees previously paid that cannot be applied against an installment payment ~~which~~ that is due shall be credited against the following year's annual fee obligation, unless the primary owner no later than February 1, 2005 submits a written refund request to the Executive Director.

(2) Beginning September 1, 2005, each primary owner shall pay the annual sum of two thousand three hundred dollars (\$2300) per registrant or licensee, less any applicable credit that may apply from paragraph (1) of this subsection ~~(e)(1) of this section~~.

(3) Beginning September 1, 2006, and thereafter, each primary owner shall pay the annual sum of two thousand eight hundred dollars (\$2800) per registrant or licensee, less any applicable credit that may apply from paragraph (1) of this subsection ~~(e)(1) of this section~~.

* * * *

(f)(1) Following assessment of the annual fee, if the primary owner increases the number of its registrants or licensees above the number upon which the annual fee assessment was based, the primary owner shall submit to the Commission both the required application fee for the additional registrants or licensees, and the additional per player annual fee set forth in subsection (c) of this section. No new badges shall be issued until the Commission has received all fees required by this subsection ~~have been received by the Commission~~.

(2) Annual fees due under this subsection ~~(f)~~ shall be prorated on a monthly basis.

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(3) Annual fees due under this subsection~~(f)~~ may be paid in installments, on the conditions that the installment payment request is submitted in writing, that one-third of the fees are paid with the application for additional registrants or licensees, and that two subsequent equal payments are paid at reasonable intervals prior to expiration of the applicable term, subject to the approval of the Executive Director.

* * * *

(h) No application for a contract extension shall be approved by the ~~Division~~ Bureau until any delinquent annual fees have been paid in full.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12200.21. Compliance.

(a) Registrants and licensees shall comply with game rules approved by the ~~Division~~ Bureau, including but not limited to, the rules regarding player-dealer rotation and table wagering. A proposition player contract may, concerning any table assigned for play by the contracted registrant or licensee, contain a provision precluding players of any other registrant or licensee under this ~~Chapter~~ or Chapter 2.2 of this ~~Division~~ from playing at that table during the periods of play assigned by the proposition player contract for the contracted registrant or licensee. The house is not precluded from assigning a seat at the table to a registrant or licensee.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

ARTICLE 2. REGISTRATION.

§ 12201. Registration.

* * * *

(c) Registration under this ~~Article~~ or its predecessor shall not create any vested right to licensing under Article 3 of this ~~Chapter~~ or any successor provision.

(d) If a primary owner is a corporation, partnership, or other business entity, each owner, and individual having a relationship to that entity specified in Business and Professions Code section 19852, subdivisions (a) ~~to~~ through (h), inclusive, shall individually apply for and obtain registration as an owner listed on the business entity's registration certificate. No business entity

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or sole proprietor shall be registered under this chapter that is also licensed under the ~~Gambling Control~~ Act to operate a gambling establishment.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections ~~19984~~ and 19951(a), Business and Professions Code.

§ 12202. Application for Registration.

* * * *

(b) An application for registration shall include all of the following:

* * * *

(2) A completed Application for Third Party Proposition Player Services Registration (CGCC-435-~~r~~ (Rev. 9/04)), which is hereby incorporated by reference.

* * * *

(c) An applicant that is an individual shall complete and submit the form Third Party Proposition Player Services Registration Supplemental Information (CGCC-436- (Rev. 06/04)), which is hereby incorporated by reference.

(d) An applicant for registration or for any approval required by this chapter shall make full and true disclosure of all information to the Commission and ~~Division~~ Bureau as required for the application and as requested by the Commission or ~~Division~~ Bureau to carry out the policies of this state relating to controlled gambling.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections ~~19984~~ and 19951(a) and 19984, Business and Professions Code.

§ 12203. Processing of Applications for Initial Registration.

* * * *

(e) Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge to the applicant any confidential information received from any law enforcement agency or any information received from any person with assurances that the information would be maintained as confidential. Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge any information that might reveal the identity of any source of information or jeopardize the safety of any person.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

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§ 12203A. Processing of Applications for Renewal of Registration.

* * * *

(g) Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge to the applicant any confidential information received from any law enforcement agency or any information received from any person with assurances that the information would be maintained as confidential. Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge any information that might reveal the identity of any source of information or jeopardize the safety of any person.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12203.1. Temporary Player Registration.

(a) While an application for regular player registration is being processed, and subject to ~~s~~Section 12203.2, the Executive Director may issue a temporary registration pursuant to this section, which shall be valid for no more than 60 days.

* * * *

(d) If an application for a regular registration is withdrawn, the application for a temporary registration shall be deemed abandoned and the Commission will take no further action ~~will be taken on it by the Commission.~~

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12203.2. Temporary Player Registration: Application; Criteria.

The Executive Director shall, within 15 days of receiving a complete application, issue a temporary player registration valid for 60 days (or 150 days if Family Code section 17520 applies) if all of the following requirements are met:

* * * *

(c) Neither the application in its entirety, nor the results of the review of the applicant's criminal history up until the date of issuance of the temporary registration, discloses any of the following:

* * * *

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(2) The applicant has, within the ten (10) year period immediately preceding the submission of the application, been convicted of any of the following offenses, not including convictions which have been expunged or dismissed as provided by law:

* * * *

(B) A misdemeanor involving gaming or gaming-related activities prohibited by Chapter 9 (commencing with section 319) and Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code.

* * * *

(D) A misdemeanor involving violations of the ~~Gambling Control~~ Act.

* * * *

(5) The applicant is disqualified under the ~~Gambling Control~~ Act or other provisions of law from holding a temporary registration.

(d) The review of the applicant's criminal history has resulted in one of the following:

* * * *

(2) No response from the BCII or Federal authorities has been received within the time period set forth in subsection (a)(2) of ~~s~~Section 12203.3.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19951 and 19984, Business and Professions Code.

§ 12203.3. Processing Times for Temporary Player Registration.

~~(a)~~ Applications for issuance of a temporary player registration by the Executive Director shall be processed within the following time frames:

~~(1)~~(a) The maximum time within which the Commission shall notify the applicant in writing that an application or a resubmitted application is complete and accepted for filing, or that an application or a resubmitted application is deficient and identifying what specific additional information is required, is five (5) working days.

~~(2)~~(b) A temporary registration shall be either granted or denied within no more than 15 working days after the filing of a completed application, unless a regular registration has already been approved.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

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§ 12203.5. Cancellation of Temporary Registration.

* * * *

(b) A temporary registration shall be cancelled by the Executive Director at any time if any of the following applies:

(1) The Commission determines that it has received reliable information that the holder of the temporary registration is ineligible under subsection (c) of ~~s~~Section 12203.2, has failed to reveal any fact material to the holder’s qualification for temporary registration, or has supplied information to the Commission that is untrue or misleading as to a material fact pertaining to the criteria for issuance of temporary registrations.

* * * *

(c) If any of the circumstances set forth in subsection (b) applies, then the Executive Director shall immediately do all of the following:

(1) Notify the temporary registration holder, the primary owner, the contracted gambling establishment, and the ~~Division~~ Bureau in writing of the cancellation of the temporary registration and the grounds for cancellation.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12204. Ineligibility for Registration.

An applicant shall be ineligible for registration for any of the following causes:

* * * *

(c) The applicant has, within the ten (10) year period immediately preceding the submission of the application, been convicted of a misdemeanor involving a firearm or other deadly weapon, gaming or gaming-related activities prohibited by Chapter 9 (commencing with ~~S~~Section 319) or Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code, violations of the ~~Gambling Control~~ Act, or dishonesty or moral turpitude, not including convictions which have been expunged or dismissed as provided by law.

(d) If the application is for registration as an owner, supervisor, or player, the applicant has been subject to a final administrative or judicial adjudication revoking a registration under this chapter or a state gambling license, key employee license, work permit or finding of suitability or has had an application denied under this chapter or the ~~Gambling Control~~ Act.

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* * * *

(g) The applicant has violated one or more of the prohibitions set forth in ~~Subsections paragraphs (5), (11), or (20) of subsection (b) of Section 12200.7(b)(5), (11), or (20)~~ or ~~Subsections paragraphs (1) and (3) of subsection (c) of Section 12200.7(e)(1) and (3).~~

(h) The applicant has failed to comply with one or more of the requirements set forth in ~~Subsections paragraphs (8), (9), (15), (16), (17), (18) and (21) of subsection (b) of Section 12200.7(b)(8), (9), (15), (16), (17), (18), (21),~~ or in ~~Subsections paragraph (2) of subsection (c) or subsection (e) of Section 12200.7(e)(2) or (e).~~

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12205. Cancellation of Regular Registration.

* * * *

(b) If the Commission finds that any of the circumstances set forth in subsection (a) apply, then the Executive Director shall immediately do all of the following:

(1) Provide written notice to the registrant and the ~~Division~~ Bureau of the cancellation of the registration and the grounds thereof, and provide written notice of the cancellation to the owner, if the registrant is a supervisor, player, or other employee and to any gambling establishment in which the registrant provides proposition player services.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12205.1. Transition to Licensing.

(a) As expeditiously as possible in light of available program resources, the ~~Division~~ Bureau shall summon persons registered as primary owners, owners, supervisors, players, and other employees for the purpose of applying for licenses under this chapter. The registration of any registrant that fails or refuses to submit a Request for Conversion of a Third Party Proposition Player Services Registration to a License (CGCC-437; (Rev. ~~09/04~~ 04/08)) ~~(see section 12218(e))~~, which is hereby incorporated by reference, including any fees to the Commission within 30 days of receiving a summons from the ~~Division~~ Bureau shall expire by operation of law on the following day. Prior to and during review of a request to convert a registration to a

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license, a registration shall remain valid and may be renewed by the registrant as necessary, upon application and approval of renewal of registration as provided in Section 12203A.

(b) Any person who became affiliated with a primary owner following receipt of a summons from the ~~Division~~ Bureau shall apply for registration pursuant to this chapter and shall be called forward by the ~~Division~~ Bureau expeditiously.

(c) If the registration expires by operation of law, the former registrant shall submit a new Request for Conversion of a Third Party Proposition Player Services Registration to a License (CGCC-437; (Rev. 09/04/04/08)) and a new five hundred dollar (\$500) nonrefundable application fee.

* * * *

(e) Except as provided in subsection (c), a request to convert a registration to a license shall require only payment of a sum of money that, in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated investigation and processing costs, in accordance with Business and Professions Code sections 19867 and 19984(c).

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

ARTICLE 3. LICENSING

§ 12218. Request to Convert Registration to License.

(a) A request to convert a registration to a license shall be submitted to the Commission only in response to a written summons from the ~~Division~~ Bureau to a primary owner pursuant to Section 12205.1. Each primary owner's request shall be accompanied by the requests of all affiliated owners, supervisors, players, and other employees.

* * * *

(c) The request to convert a registration to a license shall include all of the following:

(1) A completed Request for Conversion of a Third Party Proposition Player Services Registration to a License (CGCC-437; (Rev. 09/04/04/08)), ~~which is hereby incorporated by reference~~ referenced in Section 12205.1.

* * * *

(3) The supplemental information package as defined in ~~s~~Section 12200(b).

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(4) A sum of money that, in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated investigation and processing costs, in accordance with Business and Professions Code sections 19867 and 19984.

(5) A copy of the summons issued by the ~~Division~~ Bureau.

(d) Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge to the requester any confidential information received from any law enforcement agency or any information received from any person with assurances that the information would be maintained as confidential. Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge any information that might reveal the identity of any source of information or jeopardize the safety of any person.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12218.1. Subsequent Registrants.

After a primary owner is licensed, the summons previously issued to that primary owner by the ~~Division~~ Bureau shall be deemed to apply to all subsequent registrants who become affiliated with that primary owner subsequent to licensure.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code

§ 12218.5. Withdrawal of Request to Convert Registration to License.

(a) A request for withdrawal of a request to convert a registration to a license may be made at any time prior to final action upon the request by the ~~Director~~ Chief by the filing of a written request to withdraw with the Commission. For the purposes of this section, final action by the ~~Division~~ Bureau means a final determination by the ~~Director~~ Chief regarding his or her recommendation on the request to the Commission.

(b) The Commission shall not grant the request unless the requester has established that withdrawal of the request would be consistent with the public interest and the policies of the ~~Gambling Control~~ Act and this chapter. If a request for withdrawal is denied, the ~~Division~~ Bureau may go forward with its investigation and make a recommendation to the ~~e~~Commission upon the request, and the Commission may act upon the request to convert as if no request for withdrawal had been made.

* * * *

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Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Sections 19869 and 19984, Business and Professions Code.

§ 12218.7. Processing Times – Request to Convert Registration to License.

~~(a) Except as provided in subsection (b), a~~ A request to convert a registration to license submitted pursuant to this chapter shall be processed within the following timeframes:

~~(1a)~~ (1a) The maximum time within which the Commission shall notify the applicant in writing that a request or a resubmitted request is complete and accepted for initial processing by the Commission, or that a request or a resubmitted request is deficient and identifying what specific additional information is required, is 20 days after receipt of the request. For the purposes of this section, “request” means the Request for Conversion of a Third Party Proposition Player Services Registration to a License (CGCC-437, (Rev. 09/0404/08)), ~~which was incorporated by reference~~ referenced in Section ~~12218~~ 12205.1. A request is not complete unless accompanied by *both* a copy of the summons from the ~~Division~~ Bureau setting a deadline for filing the request with the Commission and the supplemental information package required by ~~s~~Section 12218(c)(3) for review by the ~~Division~~ Bureau pursuant to ~~paragraph (3) of this subsection~~ paragraph (3) of this subsection ~~(ac)~~ for persons affiliated with the primary owner to whom the summons was addressed. The Commission shall not review the supplemental information ~~shall not be reviewed~~ for completeness ~~by the Commission~~.

~~(2b)~~ (2b) A request and the supplemental information package shall be forwarded by the Commission to the ~~Division~~ Bureau for processing within ten (10) days of the date that the Commission determines that the request is complete.

~~(3c)~~ (3c) The ~~Division~~ Bureau shall review the supplemental information package submitted for completeness and notify the applicant of any deficiencies in the supplemental information package, or that the supplemental information package is complete, within 45 days of the date that the request and supplemental information package are received by the ~~Division~~ Bureau from the Commission. Notwithstanding this subsection, subsequent to acceptance of the supplemental information package as complete, the ~~Division~~ Bureau may, pursuant to Business and Professions Code section 19866, require the requester to submit additional information.

~~(4d)~~ (4d) Pursuant to Business and Professions Code section 19868, the ~~Division~~ Bureau shall, to the extent practicable, submit its recommendation to the Commission within 180 days after the date the ~~Division~~ Bureau is in receipt of both the completed request pursuant to ~~paragraph (2) of~~

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~~this subsection (ab)~~ and the completed supplemental information package pursuant to ~~paragraph (3) of this subsection (ac)~~. If the ~~Division~~ Bureau has not concluded its investigation within 180 days, then it shall inform the applicant and the Commission in writing of the status of the investigation and shall also provide the applicant and the Commission with an estimated date on which the investigation may reasonably be expected to be concluded.

(~~5e~~) The Commission shall grant or deny the request within 120 days after receipt of the final written recommendation of the ~~Division~~ Bureau concerning the request, except that the Commission may notify the applicant in writing that additional time, not to exceed 30 days, is needed.

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions Code.

§ 12218.11. Ineligibility for Licensing.

A requester shall be ineligible for licensing for any of the following causes:

* * * *

(c) The requester has, within the ten (10) year period immediately preceding the submission of the request to convert, been convicted of a misdemeanor involving a firearm or other deadly weapon, gaming or gaming-related activities prohibited by Chapter 9 (commencing with ~~Section~~ 319) or Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code, violations of the ~~Gambling Control~~ Act, or dishonesty or moral turpitude, unless the applicant has been granted relief pursuant to Penal Code section 1203.4, 1203.4a, or 1203.45, provided, however, that the granting of relief pursuant to Penal Code section 1203.4, 1203.4a, or 1203.45 shall not constitute a limitation on the discretion of the Commission.

(d) If the request to convert is for licensing as an owner, supervisor, or player, the requester has been subject to a final administrative or judicial adjudication revoking a registration or license under this chapter or a state gambling license, key employee license, work permit or finding of suitability or has had an application denied under this chapter or the ~~Gambling Control~~ Act.

* * * *

(h) The requester has violated one or more of the prohibitions set forth in ~~Subsections paragraphs (5), (11) and (20) of subsection (b) of Section 12200.7(b)(5), (11) and (20) or Subsections paragraphs (1) and (3) of subsection (c) of Section 12200.7(c)(1) and (3).~~

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(i) The requester has failed to comply with one or more of the requirements set forth in Subsections paragraphs (8), (9), (15), (16), (17), (18) or (21) of subsection (b) of Section 12200.7(b)(8), (9), (15), (16), (17), (18) or (21) or in Subsections paragraph (2) of subsection (c) and subsection (e) of Section 12200.7(c)(2) and (e).

* * * *

Note: Authority cited: Sections 19840, 19841, and 19984, Business and Professions Code. Reference: Section 19984, Business and Professions.

CHAPTER 2.2. GAMBLING BUSINESSES: REGISTRATION; LICENSING.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

§ 12220. Definitions.

(a) Except as otherwise provided in ~~s~~Section 12002 and in subsection (b) of this ~~regulation section~~, the definitions in Business and Professions Code section 19805 shall govern the construction of this chapter.

(b) As used in this chapter:

* * * *

(8) ~~“Division” means the Division of Gambling Control in the California Department of Justice. Information that this chapter requires to be sent to the Division shall be submitted in writing to the Sacramento office of the Division. [RESERVED]~~

* * * *

(10) “Funding source” means any person that provides financing, including but not limited to loans, advances, any other form of credit, chips, or any other representation or thing of value, to an owner-registrant or owner-licensee, other than individual registrants under ~~§~~subsection (d) of Section 12221 or individual licensees. “Funding source” does not include any federally or state chartered lending institution or any of the following entities that in the aggregate owns at least one hundred million dollars (\$100,000,000) of securities of issuers that are not affiliated with the entity:

* * * *

(G) Any entity, all of the equity owners of which individually meet the criteria of this ~~paragraph (10).~~

(11) “Gambling business,” except as otherwise provided in this paragraph, means a business enterprise that engages the services of employees, independent contractors, or both to participate

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in the play of any controlled game in a gambling establishment that has a rotating player-dealer position as permitted by Penal Code section 330.11. “Gambling business” also refers to the conduct of such a business enterprise in a gambling establishment. “Gambling business” does not, however, include the provision of proposition player services subject to Chapter 2.1 (commencing with Section 12200) of this ~~title~~ division.

* * * *

(13) “License” means a license issued by the Commission pursuant to ~~a~~Article 3 of this chapter.

* * * *

(15) “Organization chart” means a chart that identifies the names and titles of all owners, as defined in ~~s~~Section 12220, supervisors, and any persons having significant influence over the operation of gambling business; the percentage of ownership, if any, held by each identified individual or entity; the reporting relationship for each identified individual or entity; and the job title and number of persons in each of the job titles that report to each individual or entity identified on the organization chart.

* * * *

(17) “Owner” includes all of the following:

* * * *

(B) Any individual specified in Business and Professions Code section 19852, subdivisions (a) through and including (h), and

* * * *

(27) “Supplemental information package” means all of the documentation and deposits required by each of the following forms (which are hereby incorporated by reference) to be submitted to the Commission in response to a summons issued by the ~~Division~~ Bureau pursuant to Section 12225.1.

(A) Owners, as defined in Section 12220, that are a natural person shall complete the form Level III Supplemental Information-Individual (~~DGCBGC-APP--034A, New 08/04~~ (Rev. 11/07)) for a level III investigation.

(B) Owners, as defined in Section 12220, that are not a natural person shall complete the form Level III Supplemental Information-Business (~~DGCBGC-APP--034B, New 08/04~~ (Rev. 11/07)) for a level III investigation.

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(C) Supervisors, as defined in Section 12220, shall complete the form Level II Supplemental Information (~~DGCBGC-APP--033, New 08/04~~ (Rev. 11/07)) for a level II investigation.

(D) Other employees, independent contractors, and players shall complete the form Level I Supplemental Information (~~DGCBGC-APP--032, New 08/04~~ (Rev. 11/07)) for a level I investigation.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19805 and 19853(a)(3), Business and Professions Code.

§ 12220.3. Badge.

* * * *

(b) A badge authorizing play in a controlled game shall be of a distinctly different color than a badge ~~which~~ that identifies a registrant or licensee, but does not authorize play. If an individual ceases to be employed by or affiliated with a particular primary owner, that individual shall surrender his or her badge to the primary owner. The primary owner shall notify the Commission and the ~~Division~~ Bureau in writing within *ten* (10) days of the change in status using Change in Status Form for a Gambling Business Registration (CGCC-541; (Rev. 09/04)), which is hereby incorporated by reference; with this form, the primary owner shall submit the registrant's or licensee's badge.

* * * *

(d) On the front of the badge, there shall be displayed the picture of the registrant or licensee submitted with the application, the badge number, and expiration date. On the front of the badge, there shall be displayed the name of the primary owner employing the registrant or licensee, which shall be the fictitious business name, if any, established pursuant to Chapter 5 (commencing with ~~S~~section 17900) of Part 3 of Division 7 of the Business and Professions Code.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19805 and 19853(a)(3), Business and Professions Code.

§ 12220.13. Playing Book.

(a) The primary owner shall be responsible for assuring that its players maintain accurate, complete, and up-to-date playing books for all sessions of play worked in conformity with regulations of the Commission. The information in the playing-book record shall be transferred

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to the primary owner, or a supervisor designated by the primary owner at the end of each session of play. The primary owner shall maintain this information in English at a single location in the State of California, and shall maintain the original playing book records in the State of California for at least five (5) years. The location or locations where the records of this information and the original playing book records are maintained, and any change therein, shall be disclosed to the Commission and ~~Division~~ Bureau by written notice, mailed or delivered within five (5) business days after establishing or changing such a location.

(b) The playing book shall be prepared and maintained as follows:

(1) The playing book form shall be reviewed and approved or disapproved by the ~~Division~~ Bureau during the review of the primary owner's registration or license application.

(2) Each form in the playing book shall be recorded in ink and include, but not be limited to, the following information:

* * * *

(H) The specific name of the ~~Division~~ Bureau-approved gaming activity.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19805 and 19853(a)(3), Business and Professions Code.

§ 12220.14. Organization Chart and Employee Report.

(a) No later than September 1, 2004, each registered or licensed primary owner shall submit a current organization chart and a listing of all employees and independent contractors to the ~~Division~~ Bureau and the Commission. The listing of employees and independent contractors shall be submitted on the form Gambling Business Employee and Independent Contractor Report (CGCC-540; (Rev. 09/04)), which is hereby incorporated by reference.

(b) Upon renewal of the registration or license, each registered or licensed primary owner shall submit an updated organization chart and a listing of all employees and independent contractors to the ~~Division~~ Bureau and the Commission.

(c) The primary owner shall notify the ~~Division~~ Bureau and the Commission in writing within ten (10) days of any change to its ownership structure.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

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§ 12220.16. Inspections and Investigations.

(a) When requested by a representative of the ~~Division~~ Bureau, a registrant or licensee shall immediately permit the ~~Division~~ Bureau representative, in accordance with the request, to inspect, copy, or audit all requested documents, papers, books, and other records of the registrant or licensee related to the gambling business. If the records are maintained in electronic form and the registrant or licensee is requested to do so, the registrant or licensee shall provide a printed copy in English pursuant to this section within 24 hours of the request.

(b) If requested in writing by the Executive Director, the ~~Division~~ Bureau shall conduct an inspection or investigation of a registrant or a licensee. Within 30 days of receipt of the request, the ~~Division~~ Bureau shall advise the Executive Director in writing of the status of the inspection or investigation and shall also provide an estimated date on which the inspection or investigation may reasonably be expected to be concluded. Upon completion of the inspection or investigation, the ~~Division~~ Bureau shall provide a final written report to the Executive Director.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12220.18. Revocation.

The Commission may revoke a registration or license, upon any of the following grounds, after a hearing conducted pursuant to the same procedures applicable to the revocation of a gambling establishment license:

(a) The registrant or licensee committed, attempted to commit, or conspired to commit any acts prohibited by the ~~Gambling Control~~ Act or this chapter.

* * * *

(f) The registrant or licensee concealed or refused to disclose any material fact in any inquiry by the ~~Division~~ Bureau or the Commission.

* * * *

(h) The registrant or licensee has been lawfully excluded from being present upon the premises of any licensed gambling establishment for any reason relating to cheating or any violation of the ~~Gambling Control~~ Act by the registrant or licensee.

* * * *

(k) The registrant or licensee made wagers that were not specifically authorized by the game

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rules approved by the ~~Division~~ Bureau.

(l) Any owner knowingly permitted one or more of the owner's supervisors or players to commit any act described in subsections (a) ~~to~~ through (k), inclusive.

(m) Any owner knew, or failed to implement reasonable oversight procedures that would have apprised the owner, that one or more of the registrants or licensees was in violation of one or more provisions of this chapter or of the ~~Gambling Control~~ Act and failed or refused to take action to prevent the recurrence of the violation or violations.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12220.20. Annual Fee.

* * * *

(c) The annual fee shall be computed as follows:

(1) Beginning September 1, 2004, each primary owner shall pay the annual sum of two thousand fifty dollars (\$2050) per registrant or licensee. This fee shall be retroactive to September 1, 2004. Any overpayment of fees previously paid that cannot be applied against an installment payment ~~which~~ that is due shall be credited against the following year's annual fee obligation, unless the primary owner no later than February 1, 2005 submits a written refund request to the Executive Director.

(2) Beginning September 1, 2005, each primary owner shall pay the annual sum of two thousand three hundred dollars (\$2300) per registrant or licensee, less any applicable credit that may apply from paragraph (1) of this subsection ~~(e)(1) of this section~~.

(3) Beginning September 1, 2006, and thereafter, each primary owner shall pay the annual sum of two thousand eight hundred dollars (\$2800) per registrant or licensee, less any applicable credit that may apply from paragraph (1) of this subsection ~~(e)(1) of this section~~.

* * * *

(f)(1) Following assessment of the annual fee, if the primary owner increases the number of its registrants or licensees above the number upon which the annual fee assessment was based, the primary owner shall submit to the Commission both the required application fee for the additional registrants or licensees and the additional per player fee set forth in subsection (c) of this section. No new badges shall be issued until the Commission has received all fees required by this subsection ~~have been received by the Commission~~.

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(2) Annual fees due under this subsection-~~(f)~~ shall be prorated on a monthly basis.

(3) Annual fees due under this subsection-~~(f)~~ may be paid in installments, on the conditions that the installment payment request is submitted in writing, that one-third of the fees are paid with the application for additional registrants or licensees, and that two subsequent equal payments are paid at reasonable intervals prior to expiration of the applicable term, subject to the approval of the Executive Director.

* * * *

Note: Authority cited: Sections 19801, 19811, 19823, 19824, 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3), 19951, Business and Professions Code.

§ 12220.20A. Annual Fee as Applied to Those Registered or Licensed Under Chapter 2.1.

(a) A primary owner who is currently registered or licensed under Chapter 2.1 may also operate as a gambling business and not be required to pay annual fees under Chapter 2.2 if the following conditions are satisfied:

* * * *

(2) The primary owner files an application for registration or licensure under this ~~C~~chapter and pays the required five hundred dollar (\$500) application fee.

* * * *

(c) If a background investigation of a person has already been performed under Chapter 2.1, and if that person’s registration or licensure under Chapter 2.1 is current, then a second background investigation shall not be required under this ~~C~~chapter.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12220.21. Compliance.

(a) Registrants and licensees shall comply with game rules approved by the ~~Division~~ Bureau, including but not limited to the rules regarding player-dealer rotation and table wagering.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12220.23. Exclusion.

(a) In order to promote the purposes of the ~~Gambling Control~~ Act to provide for effective regulation of gambling enterprises, owner-licensees of gambling establishments shall notify the

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Commission and ~~Division~~ Bureau of, and may exclude from the gambling establishment, any person that the owner-licensee reasonably believes is conducting a gambling business within the gambling establishment without having been registered under this chapter. An owner-licensee acting under this section shall notify the Commission and ~~Division~~ Bureau in writing of any such unregistered person and any such exclusion, including the identity of the excluded individuals and entity if known, within *ten* (10) business days following the exclusion. Upon receiving such notice of an unregistered person, the Commission shall notify the person in writing of the registration requirement of this chapter and shall notify all owner-licensees of the name of the unregistered person, if known, and may condition any subsequent registration of the person under this chapter or Chapter 2.1 of this ~~D~~ivision upon a 60 to 90 day suspension of registration or payment of a civil penalty under Business and Professions Code section 19930(c), or both.

(b) An owner-licensee of a gambling establishment may exclude any registered or licensed gambling business and shall notify the Commission and ~~Division~~ Bureau in writing within five (5) days following the exclusion.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3) and 19930, Business and Professions Code.

ARTICLE 2. REGISTRATION.

§ 12221. Registration.

(a) ~~On and after March 5, 2004, n~~No person may engage in a gambling business as an owner or as an employee or independent contractor of an owner, nor may any person obtain a badge as required by Section 12220.3 without a current valid registration issued by the Commission. Persons registered to provide proposition player services under Chapter 2.1 (commencing with Section 12200) of this title are not required to register under this chapter to provide proposition player services pursuant to one or more proposition player contracts approved by the ~~Division~~ Bureau pursuant to Section 12200.9 of this title.

* * * *

(c) Registration under this ~~A~~article or its predecessor shall not create any vested right to licensing under Article 3 of this chapter or any successor provision.

(d) If a primary owner is a corporation, partnership, or other business entity, each owner and individual having a relationship to that entity specified in Business and Professions Code section 19852, subdivisions (a) ~~to~~ through (h), inclusive, shall individually apply for and obtain

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registration as an owner listed on the business entity's registration certificate.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12222. Application for Registration.

* * * *

(b) An application for registration shall include all of the following:

* * * *

(2) A completed Application for Gambling Business Registration (CGCC-535, Rev. 09/04), which is hereby incorporated by reference.

* * * *

(c) An applicant that is an individual shall complete and submit the form Gambling Business Registration Supplemental Information (CGCC-536, ~~Rev. 06/04~~), which is hereby incorporated by reference.

(d) An applicant for registration shall make full and true disclosure of all information to the Commission and ~~Division~~ Bureau as required for the application and as requested by the Commission or ~~Division~~ Bureau to carry out the policies of this state relating to controlled gambling.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3) and 19951(a), Business and Professions Code.

§ 12223. Processing of Applications for Initial and Renewal Registration.

* * * *

(e) Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge to the applicant any confidential information received from any law enforcement agency or any information received from any person with assurances that the information would be maintained as confidential. Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge any information that might reveal the identity of any source of information or jeopardize the safety of any person.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

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§ 12224. Ineligibility for Registration.

An applicant shall be ineligible for registration for any of the following causes:

* * * *

(c) The applicant has, within the ten (10) year period immediately preceding the submission of the application, been convicted of a misdemeanor involving a firearm or other deadly weapon, gaming or gaming-related activities prohibited by Chapter 9 (commencing with ~~S~~section 319) or Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code, violations of the ~~Gambling Control~~ Act, or dishonesty or moral turpitude, not including convictions which have been expunged or dismissed as provided by law.

(d) The applicant has been subject to a final administrative or judicial adjudication revoking a registration under this chapter or a state gambling license, key employee license, work permit or finding of suitability or has had an application denied under this chapter or the ~~Gambling Control~~ Act.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12225. Cancellation of Registration.

* * * *

(b) If the Commission finds that any of the circumstances set forth in subsection (a) apply, then the Executive Director shall immediately do all of the following:

(1) Provide written notice to the registrant and the ~~Division~~ Bureau of the cancellation of the registration and the grounds thereof, and provide written notice of the cancellation to the primary owner, if the registrant is not the primary owner and to all gambling establishments.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Section 19853(a)(3), Business and Professions Code.

§ 12225.1. Transition to Licensing.

(a) The ~~Division~~ Bureau shall summon persons registered as primary owners, owners, supervisors, players, and other employees for the purpose of applying for licenses under this chapter. The ~~Division~~ Bureau shall summon primary owners, owners, supervisors, players, and other employees as expeditiously as possible in light of available program resources. The

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registration of any registrant that fails or refuses to submit a Request for Conversion of a Gambling Business Registration to a License (CGCC-537, ~~New 06/04 (Rev. 04/08)~~)(~~see section 12233(e)~~), which is hereby incorporated by reference, including any fees to the Commission within 30 days of receiving a summons from the ~~Division~~ Bureau shall expire by operation of law on the following day. Prior to and during review of a request to convert a registration to a license, a registration shall remain valid and may be renewed by the registrant as necessary, upon application and approval of renewal of registration.

* * * *

(d) Except as provided for in subsection (b), a request to convert a registration to a license shall require only payment of a sum of money that in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated investigation and processing costs, in accordance with Business and Professions Code section 19867.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3), 19867, Business and Professions Code.

ARTICLE 3. LICENSING.

§ 12233. Request to Convert Registration to License.

(a) A request to convert a registration to a license shall be submitted to the Commission only in response to a written summons from the ~~Division~~ Bureau to a primary owner pursuant to Section 12225.1. Each primary owner's request shall be accompanied by the requests of all affiliated owners, supervisors, players, and other employees.

* * * *

(c) The request to convert a registration to a license shall include all of the following:

(1) A completed Request for Conversion of a Gambling Business Registration to a License (CGCC-537, ~~New 06/04 (Rev. 04/08)~~), ~~which is hereby incorporated by reference~~ referenced in Section 12225.1.

* * * *

(4) A sum of money that, in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated investigation and processing costs, in accordance with Business and Professions Code section 19867.

(5) A copy of the summons issued by the ~~Division~~ Bureau.

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(d) Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge to the requester any confidential information received from any law enforcement agency or any information received from any person with assurances that the information would be maintained as confidential. Nothing in this chapter shall require the Commission or ~~Division~~ Bureau to divulge any information that might reveal the identity of any source of information or jeopardize the safety of any person.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3) and 19867, Business and Professions Code.

§ 12234. Withdrawal of Request to Convert Registration to License.

(a) A request for withdrawal of a request to convert a registration to a license may be made at any time prior to final action upon the request by the ~~Director~~ Chief by the filing of a written request to withdraw with the Commission. For the purposes of this section, final action by the ~~Division~~ Bureau means a final determination by the ~~Director~~ Chief regarding his or her recommendation on the request to the Commission.

(b) The Commission shall not grant the request unless the requester has established that withdrawal of the request would be consistent with the public interest and the policies of the ~~Gambling Control~~ Act and this chapter. If a request for withdrawal is denied, the ~~Division~~ Bureau may go forward with its investigation and make a recommendation to the Commission upon the request, and the Commission may act upon the request to convert as if no request for withdrawal had been made.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3) and 19869, Business and Professions Code.

§ 12235. Processing Times – Request to Convert Registration to License.

(a) ~~Except as provided in subsection (b), a~~ A request to convert a registration to license submitted pursuant to this chapter shall be processed within the following timeframes:

(~~1~~a) The maximum time within which the Commission shall notify the applicant in writing that a request or a resubmitted request is complete and accepted for initial processing by the Commission, or that a request or a resubmitted requested is deficient and identifying what specific additional information is required, is 20 days after receipt of the request. For the purposes of this section, “request” means the form Request for Conversion of a Gambling

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Business Registration to a License (CGCC-537, ~~New 06/04~~ (Rev. 04/08)), ~~which was incorporated by reference~~ referenced in Section ~~12233~~ 12225.1. A request is not complete unless accompanied by both a copy of the summons from the ~~Division~~ Bureau setting a deadline for filing the request with the Commission and the supplemental information package required by ~~Section 12233(c)(3)~~ Section 12233(c)(3) for review by the ~~Division~~ Bureau pursuant to ~~paragraph (3) of this subsection (a)~~ paragraph (3) of this subsection (a) for persons affiliated with the primary owner to whom the summons was addressed. The Commission shall not review the supplemental information ~~shall not be reviewed for completeness by the Commission.~~

(~~2~~b) A request and the supplemental information package shall be forwarded by the Commission to the ~~Division~~ Bureau for processing within *ten* (10) days of the date that the Commission determines that the request is complete.

(~~3~~c) The ~~Division~~ Bureau shall review the supplemental information package submitted for completeness and notify the applicant of any deficiencies in the supplemental information package, or that the supplemental information package is complete, within 45 days of the date that the request and supplemental information package are received by the ~~Division~~ Bureau from the Commission. Notwithstanding this subsection, subsequent to acceptance of the supplemental information package as complete, the ~~Division~~ Bureau may, pursuant to Business and Professions Code section 19866, require the requester to submit additional information.

(~~4~~d) Pursuant to Business and Professions Code section 19868, the ~~Division~~ Bureau shall, to the extent practicable, submit its recommendation to the Commission within 180 days after the date the ~~Division~~ Bureau is in receipt of both the completed request pursuant to ~~paragraph (2) of this subsection (a)~~ paragraph (2) of this subsection (a) and the completed supplemental information package pursuant to ~~paragraph (3) of this subsection (a)~~ paragraph (3) of this subsection (a). If the ~~Division~~ Bureau has not concluded its investigation within 180 days, then it shall inform the applicant and the Commission in writing of the status of the investigation and shall also provide the applicant and the Commission with an estimated date on which the investigation may reasonably be expected to be concluded.

(~~5~~e) The Commission shall grant or deny the request within 120 days after receipt of the final written recommendation of the ~~Division~~ Bureau concerning the request, except that the Commission may notify the applicant in writing that additional time, not to exceed 30 days, is needed.

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections 19853(a)(3) and 19868, Business and Professions Code.

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§ 12236. Ineligibility for Licensing.

A requester shall be ineligible for licensing for any of the following causes:

* * * *

(c) The requester has, within the ten (10) year period immediately preceding the submission of the request to convert, been convicted of a misdemeanor involving a firearm or other deadly weapon, gaming or gaming-related activities prohibited by Chapter 9 (commencing with ~~§~~section 319) or Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code, violations of the ~~Gambling Control~~ Act, or dishonesty or moral turpitude, unless the applicant has been granted relief pursuant to Penal Code section 1203.4, 1203.4a, or 1203.45, provided, however, that the granting of relief pursuant to Penal Code section 1203.4, 1203.4a, or 1203.45 shall not constitute a limitation on the discretion of the Commission.

(d) If the request to convert is for licensing as an owner, supervisor, or player, the requester has been subject to a final administrative or judicial adjudication revoking a registration or license under this chapter or a state gambling license, key employee license, work permit or finding of suitability or has had an application denied under this chapter or the ~~Gambling Control~~ Act.

* * * *

Note: Authority cited: Sections 19840, 19841, and 19853(a)(3), Business and Professions Code. Reference: Sections ~~19853(a)(3)~~, Business and Professions Code.

CHAPTER 4. GAMBLING EQUIPMENT MANUFACTURERS OR DISTRIBUTORS.

§ 12300. Definitions.

(a) Except as provided in ~~§~~Section 12002 and in subsection (b) of this ~~regulation~~ section, the definitions in Business and Professions Code section 19805 shall govern the construction of the regulations contained in this chapter.

* * * *

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code; and Section 337j, Penal Code. Reference: Section 19841(r), Business and Professions Code; and Section 337j(e)(1), Penal Code.

§ 12301. Registration of Manufacturers or Distributors.

(a) Except as provided in Section 12310, and after December 31, 2002, no person may manufacture or distribute gambling equipment unless that person has a currently valid

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registration as a manufacturer or distributor in accordance with ~~these regulations~~ this chapter.

(b) Each manufacturer or distributor shall apply for registration with the Commission, using the form required by Section 12309. Any manufacturer or distributor in business on the effective date of this chapter shall submit an application for registration to the Commission within 30 days of the effective date of this chapter. An application for registration shall include all of the following:

* * * *

(10)(A) Except as provided in subparagraph (B) of this paragraph, for Class A registration, a nonrefundable application fee of five hundred dollars (\$500) shall be submitted with the application for initial registration, and annually thereafter with each application for renewal at least thirty days prior to the anniversary date of initial registration. For Class B registration, no fee shall be required for initial registration or renewal. Applications for renewal of Class B registration shall be submitted annually at least thirty days prior to the anniversary date of initial registration.

(B) The nonrefundable annual application fee for a manufacturer or distributor applying for Class A registration that sells, leases, inspects, tests, repairs, refurbishes, or stores only slot machines or devices that are “antique slot machines” within the meaning of Penal Code section 330.7 shall be forty dollars (\$40), provided that this subparagraph does not apply to a person that is otherwise a manufacturer or distributor or who is an antique collector exempt from registration under Section 12301.1.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Sections 19805(b), 19841(r) and 19951(a), Business and Professions Code; Section 2015.5, Code of Civil Procedure; Section 330.8, Penal Code; and Chapter 24 (commencing with Section 1171) of Title 15 of the United States Code.

§ 12301.1. Claim of Exemption by Antique Collector; Form.

(a) An antique collector may obtain an exemption from registration under this chapter if the antique collector satisfies all of the following requirements:

(1) Submits a completed Antique Collector Claim of Exemption, CGCC-039 (Rev. ~~12/06~~04/08), which is hereby incorporated by reference, in which the antique collector declares under penalty of perjury in the form specified in Section 2015.5 of the Code of Civil Procedure that the information provided in the application is accurate and complete.

* * * *

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(c) The records of slot machine transactions and the inventory of slot machines in the possession of any antique collector shall be subject to inspection by representatives of the Commission or the ~~Division~~ Bureau during normal business hours.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Sections 19805(b), 19841(r) and 19951(a), Business and Professions Code; Section 2015.5, Code of Civil Procedure; Section 330.8, Penal Code; Chapter 24 (commencing with Section 1171) of Title 15 of the United States Code.

§ 12302. Delegation of Authority; Process Times.

* * * *

(b) The Executive Director shall approve an application for registration under this chapter if the application satisfies the requirements of ~~s~~Section 12301(b) of this chapter.

* * * *

Note: Authority cited: Sections 19823, 19824, 19840 and 19841, Business and Professions Code. Reference: Sections 19805(b) and 19841(r), Business and Professions Code.

§ 12303. Conditions of Registration.

(a) Each manufacturer or distributor shall, as a condition of continued registration, comply with the following continuing requirements:

(1) Submit in duplicate to the Commission, at its office in the City of Sacramento, within 30 days after the close of each calendar quarter, a report on sales and shipments of gambling equipment as follows:

(A) Except as provided in subparagraph (D) of this paragraph ~~(1)~~, for each shipment of gambling equipment received or sent out by the manufacturer or distributor from or to a location in the State of California during the preceding calendar quarter, the report shall include all of the following information:

- ~~(i)~~1. The name and address of the sender.
- ~~(ii)~~2. The name and address of the recipient.
- ~~(iii)~~3. The date of shipment,
- ~~(iv)~~4. The bill of lading number.
- ~~(v)~~5. The manufacturer of each item of gambling equipment if different from the sender.
- ~~(vi)~~6. The model (no.) of each item of gambling equipment.
- ~~(vii)~~7. The year of manufacture (if known) of each slot machine or device/essential part shipped.

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~~(viii)~~8. The manufacturer's serial number, if any, of each slot machine or device/essential part.

~~(ix)~~9. The number of units of each type, manufacturer, and model (no.) of slot machine/essential part.

(B) For each sale, lease, or other transfer of gambling equipment not otherwise reportable under subparagraph (A) of this paragraph, and any transfer as an agent or broker on behalf of an antique collector, during the preceding calendar quarter by the manufacturer or distributor from or to a location within the State of California, the report shall include all of the following information:

~~(i)~~1. The names and addresses of all parties to the sale or lease.

~~(ii)~~2. The date of the contract of sale or lease.

~~(iii)~~3. The date of shipment or delivery of the gambling equipment.

~~(iv)~~4. The name of the manufacturer of the gambling equipment if different from the seller.

~~(v)~~5. The year of manufacture (if known) of each slot machine or device/essential part sold.

~~(vi)~~6. The manufacturer's serial number, if any, of each slot machine or device/essential part.

~~(vii)~~7. The number of units of each type, manufacturer, and model (no.) of slot machine/essential part.

* * * *

(D) Any shipment of gambling equipment sent by a manufacturer or distributor to a tribal gaming facility or sent by a tribal gaming facility to a manufacturer or distributor that is reported to the ~~Division Bureau~~ pursuant to the terms of the transportation agreement required by Section 7.4.5 of the applicable Tribal-State Gaming Compact, need only be reported to the Commission by reference to the recipient and date of the report sent to the ~~Division Bureau~~, if the report provided to the ~~Division Bureau~~ specifies the manufacturer, model (no.), and manufacturer's serial number of the gambling equipment shipped and the shipment is transported in full compliance with all of the requirements of the transportation agreement, including the following:

~~(i)~~1. The gambling equipment shall be located in a locked compartment or sealed container within the conveyance while being transported.

~~(ii)~~2. The gambling equipment shall not be accessible for use while being transported, and,

~~(iii)~~3. No gambling equipment shall be operated except on the Tribe's lands.

* * * *

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(3) Submit to any representative of the Commission or the ~~Division~~ Bureau any additional information requested by the representative concerning the registrant's activities as a manufacturer or distributor, including copies of any records maintained or retained pursuant to Title 15, United States Code, section 1173. The information shall include a statement that the information is accurate and complete within the personal knowledge of the designated representative who executes the report, and a declaration under penalty of perjury that it is true and correct, signed by the designated representative in the form specified in Code of Civil Procedure section 2015.5.

(4) Submit to inspection and examination by the ~~Division~~ Bureau of all premises where gambling equipment is manufactured, sold, or distributed, pursuant to Business and Professions Code section 19827(a)(1)(B).

* * * *

Note: Authority cited: Sections 19801(g), 19823, 19824, 19827(a)(1), 19840 and 19841(r), Business and Professions Code. Reference: Sections 19841(r), 19930 and 19931, Business and Professions Code.

§ 12304. Fines.

* * * *

(b) Each day a violation continues shall be deemed a separate violation commencing after receipt of notice of violation by the manufacturer or distributor from the Commission or ~~Division~~ Bureau or 30 days after commencement of the violation, whichever first occurs.

(c) A manufacturer or distributor shall be liable for a civil penalty not to exceed five hundred dollars (\$500) per business day for each business day that the report required by Section 12303, subsection (a), paragraph (1), is overdue. For purposes of this chapter, the report shall be deemed overdue if not received by the Commission within 30 calendar days following the last day of the calendar quarter for which the report is required.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Sections 19841(r), 19930 and 19931, Business and Professions Code.

§ 12305. Availability of Records.

(a) Copies of any and all records provided to the Commission by applicants and registrants under this chapter shall be provided upon request to the ~~Division~~ Bureau and made available upon request to any law enforcement agency.

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(b) Upon request of the Commission, copies of the following records shall be provided by the ~~Division~~ Bureau to the Commission:

(1) Any and all records received by the ~~Division~~ Bureau from manufacturers and distributors,

(2) Any and all transportation agreements and amendments to transportation agreements entered into with gaming tribes under the Tribal-State Gaming Compacts referred to in ~~s~~Section 12306,

(3) Any and all records received by the ~~Division~~ Bureau pursuant to transportation agreements entered into with gaming tribes under the Tribal-State Gaming Compacts referred to in ~~s~~Section 12306.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Sections 19805(b) and 19841, Business and Professions Code.

§ 12306. Applicability on Indian Lands.

This chapter does not apply to the manufacture or distribution of gambling equipment conducted upon Indian lands in this state on which class III gaming has been authorized, in accordance with a Compact between a federally recognized Indian Tribe and the State of California, as provided in ~~S~~Section 11 of the Indian Gaming Regulatory Act of 1988 (P.L. 100-497), Title 25, United States Code, section 2710 and any amendments thereto; provided, that the manufacture or distribution is not prohibited by the laws of the United States and is limited to gambling equipment that is used or for use in the Tribe's gaming operation, including the sale of gambling equipment previously acquired for use in the Tribe's gaming operation.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Section 19841(r), Business and Professions Code; and Title 25, United States Code, section 2710.

§ 12308. Penal Code Applicability.

Nothing in this chapter shall be construed to make lawful the manufacture, distribution, or transportation of any slot machine or device in violation of any provision of ~~e~~Chapter 10 (commencing with section 330) of Title 9 of Part 1 of the Penal Code.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Section 19841(r), Business and Professions Code; and Chapter 10 (commencing with Section 330) of Title 9 of Part 1, Penal Code.

§ 12309. Forms.

(a) Applications for registration under ~~s~~Section 12301(b) shall be submitted on the Application for Registration of Manufacturers or Distributors of Gambling Equipment CGCC-025 (Rev. ~~12-06~~ 04/08), which is hereby incorporated by reference.

(b) Quarterly Report, CGCC-040 (~~r~~Rev. ~~11/03~~ 04/08), which is hereby incorporated by reference, may but need not be used for submission of reports required by Section 12303.

Note: Authority cited: Sections 19823, 19824, 19840, 19841(r) and 19864, Business and Professions Code. Reference: Sections 19841(r) and 19951(a), Business and Professions Code; Section 2015.5, Code of Civil Procedure; Section 330.8, Penal Code; Chapter 24 (commencing with Section 1171) of Title 15 of the United States Code.

§ 12310. Uniform Tribal Gaming Regulation Exemption.

There shall be exempt from this chapter all ~~C~~class B manufacturers and distributors that are subject to requirements of a Tribal Gaming Agency pursuant to a uniform regulation (1) that has been approved by the Association of Tribal and State Gaming Regulators, and is in effect as provided in ~~S~~section 8.4.1 of the Tribal-State Gaming Compacts, and (2) that includes the requirement for manufacturers and distributors to provide quarterly reports to the Commission pertaining to gaming device shipments pursuant to the Transportation Agreements entered into by Tribal Gaming Agencies and the State Gaming Agency pursuant to ~~S~~section 7.4.5 of the Tribal-State Gaming Compacts, which reports are verified by a declaration under penalty of perjury signed by the designated representative of the manufacturer or distributor that the report is true and correct.

Note: Authority cited: Sections 19823, 19824, 19840 and 19841(r), Business and Professions Code. Reference: Section 19841(r), Business and Professions Code.

CHAPTER 6. STATE GAMBLING LICENSES AND APPROVALS FOR GAMBLING ESTABLISHMENTS, OWNERS, AND KEY EMPLOYEES.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

§ 12335. Definitions.

(a) Except as otherwise provided in subsection (c) of Ssection 12002 of these regulations, the definitions in Business and Professions Code section 19805 shall govern the construction of this chapter.

* * * *

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Note: Authority cited: Sections 19811(b), 19823, 19824, 19840 and 19841, Business and Professions Code.
Reference: Sections 19800, 19805(l) and (o), 19811 and 19951(b)(2), Business and Professions Code.

ARTICLE 2. LICENSING.

§ 12341. Fee for Initial State Gambling License.

* * * *

(b) Subsection (a) applies to the following:

(1) The initial issuance of a state gambling license to the holder of a provisional license as defined in Title 11, California Code of Regulations, ~~s~~Section 2140(c).

* * * *

Note: Authority cited: Sections 19811, 19824, 19840, 19841(a), and 19951(b)(2)(A), Business and Professions Code. Reference: Section 19951(b)(2)(A), Business and Professions Code.

§ 12342. Initial License Applications; Required Forms.

(a) Any person applying for a state gambling license or key employee license shall, as appropriate, complete the following forms, which are hereby incorporated by reference:

(1) Application for State Gambling License, CGCC-030 (Rev. ~~03/08~~04/08).

(2) Application for Gambling Establishment Key Employee License, CGCC-031 (Rev. ~~03/08~~04/08).

(3) Gambling Establishment Owner Applicant-Individual Supplemental Background Investigation Information, ~~DGCBGC~~-APP-015A (Rev. ~~03/08~~04/08).

(4) Gambling Establishment Owner Entity Supplemental Information for State Gambling License, ~~DGCBGC~~-APP-015B (Rev. ~~03/08~~04/08).

(5) Gambling Establishment Supplemental Information for State Gambling License, ~~DGCBGC~~-APP-015C (Rev. ~~03/08~~04/08).

(6) Gambling Establishment Key Employee Supplemental Background Investigation Information, ~~DGCBGC~~-APP-016A (Rev. ~~03/08~~04/08).

(7) Cardroom Applicant's Spouse Supplemental Background Information for State Gambling License, ~~DGCBGC~~-APP-~~009~~009A (Rev. ~~09-04~~04/08).

(8) Trust Supplemental Background Investigation Information, ~~DGCBGC~~-APP-143 (~~New~~ ~~03/08~~Rev. 04/08).

(9) Declaration of Full Disclosure, ~~DGCBGC~~-APP-~~005~~005 (Rev. ~~09-04~~11/07).

(10) Authorization to Release Information, ~~DGCBGC~~-APP-~~006~~006 (Rev. ~~03/08~~04/08).

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(11) Applicant’s Declaration, Acknowledgment and Agreement (Community Property Interest), ~~DGCBGC-APP--011~~ (Rev. ~~09-04~~ 11/07).

(12) Applicant’s Declaration, Acknowledgment and Agreement (Sole and Separate Property), ~~DGCBGC-APP--012~~ (Rev. ~~09-04~~ 11/07).

(13) Spouse’s Declaration, Acknowledgment and Agreement (Community Property Interest), ~~DGCBGC-APP--013~~ (Rev. ~~09-04~~ 11/07).

(14) Spouse’s Declaration, Acknowledgment and Agreement (Sole and Separate Property), ~~DGCBGC-APP--014~~ (Rev. ~~09-04~~ 11/07).

(15) Appointment of Designated Agent, ~~DGCBGC-APP--008~~ (Rev. ~~09-03~~ 11/07).

(16) Key Employee Report, ~~DGCBGC-LIC--101~~ (Rev. ~~07-03~~ 11/07).

(17) Instructions to Applicant’s Spouse, ~~DGCBGC-APP--010~~ (Rev. ~~03/08~~ 04/08).

(18) Notice to Applicants, ~~DGCBGC-APP--001~~ (Rev. ~~09-04~~ 11/07).

* * * *

Note: Authority cited: Sections 19811, 19824, 19840, and 19841, Business and Professions Code. Reference: Sections 19850, 19851, 19852, 19854, 19855, 19856, 19857, 19864, 19865, 19866, 19867, 19880, 19881, 19883, 19890, 19893, 19951, and 19982, Business and Professions Code.

§ 12343. Processing Times – Initial applications.

(a) Except as provided in subsection (b), initial gambling or key employee license applications submitted pursuant to this chapter shall be processed within the following timeframes:

(1) The maximum time within which the Commission shall notify the applicant in writing that an application or a resubmitted application is complete and accepted for initial processing by the Commission, or that an application or a resubmitted application is deficient and identifying what specific additional information is required, is 20 days after receipt of the application. For the purposes of this section, “application” means the Application for State Gambling License, CGCC-030 (Rev. ~~03/08~~04/08) and the Application for Gambling Establishment Key Employee License, CGCC-031 (Rev. ~~03/08~~04/08), ~~both of which are incorporated by reference~~ referenced in Section 12342. An application is not complete unless accompanied by the fee of five hundred dollars (\$500) specified in Business and Professions Code section 19951(a). In addition, an applicant shall submit with the application, any supplemental information required by ~~s~~Section 12342 for review by the ~~Division~~ Bureau pursuant to paragraph (3) of this subsection. The

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Commission shall not review the supplemental information ~~shall not be reviewed~~ for completeness ~~by the Commission~~.

(2) An application for a license and the supplemental information shall be forwarded by the Commission to the ~~Division~~ Bureau within 10 days of the date that the Commission determines that the application is complete.

(3) The ~~Division~~ Bureau shall review the supplemental information submitted for completeness and notify the applicant of any deficiencies in the supplemental information, or that the supplemental information is complete, within 30 days of the date that the application and supplemental information are received by the ~~Division~~ Bureau from the Commission. Notwithstanding this subsection, subsequent to acceptance of the supplemental information as complete, the ~~Division~~ Bureau may pursuant to Business and Professions Code section 19866 require the applicant to submit additional information.

(4) Pursuant to Business and Professions Code section 19868, the ~~Division~~ Bureau shall, to the extent practicable, submit its recommendation to the Commission within 180 days after the date the ~~Division~~ Bureau is in receipt of both the completed application pursuant to paragraph (2) of this subsection and the completed supplemental information pursuant to paragraph (3) of this subsection. If the ~~Division~~ Bureau has not concluded its investigation within 180 days, then it shall inform the applicant and the Commission in writing of the status of the investigation and shall also provide the applicant and the Commission with an estimated date on which the investigation may reasonably be expected to be concluded.

(5) The Commission shall grant or deny the application within 120 days after receipt of the final written recommendation of the ~~Division~~ Bureau concerning the application, except that the Commission may notify the applicant in writing that additional time, not to exceed 30 days, is needed.

* * * *

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Sections 19841 and 19868, Business and Professions Code.

§ 12344. License Renewals.

(a) Each application for renewal of a state gambling license or for renewal of a key employee license shall be accompanied by all of the following:

(1) A completed application:

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(A) Applicants for a state gambling license shall use the form “Application for State Gambling License, CGCC-030 (Rev. ~~03/08~~04/08).”

(B) Applicants for a key employee license shall use the form “Application for Gambling Establishment Key Employee License, CGCC-031 (Rev. ~~03/08~~04/08).”

* * * *

(d) If, after a review of an application for renewal of a state gambling license or a key employee license, the ~~Division of Gambling Control~~ Bureau determines that further investigation is needed, the applicant shall submit an additional sum of money that, in the judgment of the ~~Director~~ Chief of the ~~Division~~ Bureau, will be adequate to pay the anticipated investigation and processing costs, in accordance with Business and Professions Code section 19867.

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Sections 19851, 19876, ~~19851~~ and 19951, Business and Professions Code.

§ 12345. Processing Times – Renewal applications.

(a) Except as provided in subsection (b), renewal gambling or key employee license applications submitted pursuant to Section 12344 shall be processed within the following timeframes:

* * * *

(2) The maximum time within which the Commission shall notify the applicant in writing that an application or a resubmitted application is complete and accepted for initial processing by the Commission, or that an application or a resubmitted application is deficient and identifying what specific additional information is required, is 10 days after receipt of the application. For the purposes of this section, “application” means the Application for State Gambling License, CGCC-030 (Rev. ~~03/08~~04/08) and the Application for Gambling Establishment Key Employee License, CGCC-031 (Rev. ~~03/08~~04/08), ~~both of which are incorporated by reference~~ referenced in Section 12342. An application is not complete unless accompanied by the fee of five hundred dollars (\$500) specified in Business and Professions Code section 19951(a).

(3) An application for a license shall be forwarded by the Commission to the ~~Division~~ Bureau for processing within five days of the date that the Commission determines that the application is complete.

(4) The ~~Division~~ Bureau shall submit its written recommendation concerning the renewal application to the Commission no later than 45 days prior to the expiration of the current license.

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(b) The processing times specified in paragraphs (2) through and including (4) of subsection (a) may be exceeded in any of the following instances:

* * * *

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Sections 19868 and 19876, Business and Professions Code.

§ 12347. Interim Key Employee Status While Application Pending.

(a) Unless given 30 days after hiring to file an application for key employee licensure pursuant to Business and Professions Code section 19883 (corporate owner-licensee exemption for key employees), gambling establishment employees holding a valid work permit or license for any gambling establishment may begin work as an interim key employee provided that written notice is given to the Commission and ~~Division~~ Bureau within ten days of the employee's assumption of key employee duties, accompanied by a description of the key employee duties the employee will perform and a copy of the employee's current work permit or license for any licensed gambling establishment.

(b) An interim key employee shall, within 30 days of assuming a key employee position, submit the following:

(1) The Commission's key employee license application form, CGCC-031, as referenced in ~~s~~Section 12342,

(2) The ~~Division's~~ Bureau's key employee supplemental application, ~~DGCBGC-APP-016A~~, as referenced in ~~s~~Section 12342, and

* * * *

(d) With ten day's advance written notice to the interim key employee and to the gambling establishment, the Executive Director shall cancel the interim key employee status based upon the following:

* * * *

(5) A ~~Division~~ Bureau recommendation of denial of the applicant's key employee application;

* * * *

Note: Authority cited: Sections 19823, 19824, 19840, and 19841, Business and Professions Code. Reference: Sections 19805(w), 19805(x), 19850, 19855, 19856, 19857, 19859, 19866, 19870, and 19883, Business and Professions Code.

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ARTICLE 3. TABLE FEE; REQUESTS FOR ADDITIONAL TABLES.

§ 12358. Request for Additional Temporary Tables for Tournaments or Special Events.

(a) An owner licensee of a gambling establishment may apply to operate, on a limited and temporary basis, for a tournament or special event (hereinafter, event), more tables than the gambling establishment is authorized to regularly operate. To apply for additional tables, the applicant must submit to the Commission, no less than 45 days prior to the event, the following for each event:

(1) A completed and signed application form entitled “Request for a Certificate to Operate Additional Tables on a Temporary Basis” CGCC-024 (Rev. ~~03/08~~04/08), which is attached in Appendix A to this ~~Chapter~~.

(2) A non-refundable application fee of \$500, plus a ~~Division~~ Bureau review deposit, pursuant to California Code of Regulations, ~~€~~€ Title 11, ~~s~~s Section 2037, made payable to the California Gambling Control Commission.

(3) Fees for the additional tables, as calculated according to the form in paragraph (1) of this subsection ~~(a)(1), above~~.

(b) The Commission shall not grant the application if a review by the ~~Division~~ Bureau discloses any of the following:

* * * *

(4) The gambling establishment has outstanding fees, deposits, fines, or penalties owing to the Commission or to the ~~Division~~ Bureau.

* * * *

(e) The Commission may delegate the authority to deny the requested temporary increase or to issue a license certificate approving the requested temporary increase in the number of tables to any employee of the Commission. Commission staff shall commence the initial review and shall forward the application to the ~~Division~~ Bureau for review within 7 days of receipt of the application. The ~~Division~~ Bureau shall complete its review and return its findings to the Commission within 25 days of receipt of the application from the Commission. Commission staff shall then complete the review within 13 days of receiving the ~~Division's~~ Bureau's findings and notify the applicant.

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841(a)-(c) and (p), 19864, 19950(b) and 19952, Business and Professions Code. Reference: Section 19951, Business and Professions Code.

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§ 12359. Request for Additional Permanent Tables.

(a) The owner licensee of a gambling establishment may apply to operate additional tables on a permanent basis by submitting the following to the Executive Director:

(1) A completed and signed application form entitled “Application for Additional Authorized Permanent Tables,” CGCC-027 (Rev. ~~03/08~~04/08), which is attached in Appendix A to this Chapter.

(2) A non-refundable application fee of \$500, plus a ~~Division~~ Bureau review deposit, pursuant to California Code of Regulations, ~~€~~€ Title 11, ~~s~~s Section 2037, made payable to the California Gambling Control Commission.

(b) The Commission shall not grant the application if any of the following are disclosed by the application or the results of the investigation of the applicant by the ~~Division~~ Bureau:

* * * *

(4) The gambling establishment has outstanding fees, deposits, fines, or penalties owing to the Commission or to the ~~Division~~ Bureau.

* * * *

(d) Commission staff shall commence the initial review and shall forward the application to the ~~Division~~ Bureau for investigation within 7 days of receipt of the application. The ~~Division~~ Bureau shall complete its review and return its findings to the Commission within 25 days of receipt of the application from the Commission. Commission staff shall then complete the review and set the request on the Commission agenda within 90 days of receiving the ~~Division’s~~ Bureau’s findings and advise the applicant of the agenda date and any required table fees due. If the request for additional permanent tables is approved, applicant must pay the required tables fee due before placing the additional tables in operation.

Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19864, 19950(b) and 19951, Business and Professions Code. Reference: Section 19951, Business and Professions Code.

APPENDIX A



State Of California
California Gambling Control Commission
CGCC-024 (Rev. 03/08/04/08)

Commission Use Only	
Date Cashiered:	
Fee Received:	

REQUEST FOR A CERTIFICATE TO OPERATE ADDITIONAL TABLES ON A TEMPORARY BASIS

Type or print (in ink) all information requested on this application form. If additional space is needed, please note response on a separate sheet of paper and attach to the application. Any corrections, changes, or other substitutions must be initialed and dated by the applicant.

Do not misstate or omit any material fact(s) as each statement made herein is subject to verification.

PLEASE SEND COMPLETED APPLICATIONS TO CGCC at: 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-4231

Attach a payment (payable to the California Gambling Control Commission), for the total amount of the following fees and deposit:

A non-refundable \$500 application fee

Temporary tables fees (see reverse for instructions)

A review deposit, pursuant to Cal. Code of Regulations, title 11, section 2037

SECTION 1: GAMBLING ESTABLISHMENT INFORMATION

Name of Gambling Establishment:

Business Address:

Street

City

State

Zip Code

Business Telephone Number:

Business Facsimile Number (if applicable):

SECTION 2: EVENT INFORMATION

A) Number of Presently Authorized Permanent Tables:

B) Number of Requested Additional Temporary Tables for the Event:

C) Total Number of Proposed Tables during the date listed in this request: (Total Amount of A and B)

D) Amount of table fees included with this request: (Refer to instructions for additional information.)

E) Proposed Date(s) and Time(s) of the Event (If the number of tables vary on multiple dates, attach a list by date):

F) Name of the Event:

G) Location of the Event within the Gambling Establishment:

H) Approved Games or Gaming Activities to be offered during this Event: (If ~~Division~~-Bureau approval is pending, please so state.)

SECTION 3: DECLARATION

I request the issuance of a Certificate to Operate Additional Tables on a Temporary Basis at the above-named gambling establishment.

I understand that the establishment identified above will not be allowed to legally operate more than the number of tables for which a fee is being paid.

I declare under penalty of perjury under the laws of the State of California that the foregoing information, and all information submitted with this application is true, correct, and complete.

Signature of Owner Licensee: _____

Print Name:

Date:

Designated Contact for this Application:

Telephone Number:

REQUEST FOR A CERTIFICATE TO OPERATE ADDITIONAL TABLES ON A TEMPORARY BASIS

SECTION 1: GAMBLING ESTABLISHMENT INFORMATION

Provide the legal name of the entity and any alternative names for the same business entity. You must notify the Commission of any name, address or telephone number changes. Your information is used to provide proper identification of your file, to contact you, and/or to determine your eligibility. Personal information contained in this application may be disclosed to the public in accordance with the Gambling Control Act (Business and Professions Code section 19821(b)).

SECTION 2: EVENT INFORMATION

Indicate the number of tables that the gambling establishment currently has and the number it is requesting to operate on a temporary basis. Also provide the total number of tables that the gambling establishment wishes to operate and all relevant event information. Note: All requests are subject to compliance with local ordinances and state gambling laws.

INSTRUCTIONS FOR CALCULATING THE AMOUNT OF TABLE FEES TO OPERATE ADDITIONAL TABLES ON A TEMPORARY BASIS

Determine the amount of the required fee that must be included with this request by completing the following steps and using the table below:

Number of Tables	Per Table Fee
One to Five	\$300
Six to Eight	\$550
Nine to Fourteen	\$1,300

Number of Tables	Per Table Fee
Fifteen to Twenty-five	\$2,700
Twenty-six to Seventy	\$4,000
Seventy-one or more	\$4,700

1. Add the current number of authorized tables licensed by the Commission to operate to the number of special event tables.
2. Multiply the total number of tables by the per table fee indicated in the above table.
3. From this total, subtract the basic table fees previously assessed for the current year.
4. Divide this figure by 365. This establishes the additional daily table fee for the event.
5. Multiply this total by the number of event days (fractions or portions of a day are considered a full day) and round your result up to the nearest whole number.
6. Multiply this number by two. This final figure is the table fee for the tournament or special event.

EXAMPLE: Gambling establishment "A" proposes to operate an additional 3 tables during a 5-day tournament. Establishment "A" is licensed/certified by the Commission for 24 tables and has been previously assessed a fee of \$64,800 (24 tables x \$2,700 per table = \$64,800)

1. Add the current number of tables and the additional number of tournament tables (24 current + 3 additional = 27 total)
2. Multiply this amount by the per table fee shown above (27 total # tables x \$4,000 per table = \$108,000).
3. From this amount, subtract the previously assessed fee for the year (\$108,000 - \$64,800 previously assessed fee = \$43,200).
4. Divide this amount by 365 ($\$43,200 \div 365 = \118.36).
5. Multiply this amount by the number of days of the tournament ($\$118.36 \times 5 \text{ days} = \591.80) and round this number up to the nearest whole number (\$592).
6. Multiply this amount by two ($\$592 \times 2 = \1184). The final fee for Establishment "A" to operate the additional tables for its tournament would be \$1184.

SECTION 3: DECLARATION

Sign and date the application under penalty of perjury. An application must be signed and dated to be considered complete. The designated contact person for this application must also be included, if applicable.



Commission Use Only
Fee Received: _____
Date to DGC: _____

APPLICATION FOR ADDITIONAL AUTHORIZED PERMANENT TABLES

Please refer to the instructions when completing the application. Type or print (in ink) all information requested on this application form.

If additional space is needed, please note response on a separate sheet of paper and attach to the application. .

Any corrections, changes, or other substitutions must be initialed and dated by the applicant.

Do not misstate or omit any material fact(s) as each statement made herein is subject to verification.

PLEASE SEND COMPLETED APPLICATIONS TO CGCC at: 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-4231

Attach a payment (*payable to the California Gambling Control Commission*), for the total amount of the following fee and deposit:

A non-refundable \$500 application fee

A review deposit, pursuant to Cal. Code of Regulations, title 11, section 2037

SECTION 1: GAMBLING ESTABLISHMENT INFORMATION

Name of Gambling Establishment:

Business Address:

Street

City

State

Zip Code

Mailing Address (*if different than Business Address*):

Street

City

State

Zip Code

Business Telephone Number:

Business Facsimile Number (if applicable):

SECTION 2: TABLE INFORMATION

A) Number of Presently Authorized Permanent Tables:	
B) Number of Requested Additional Permanent Tables:	
C) Total Number of Proposed Tables: (Total Amount of A and B)	

SECTION 3: DECLARATION

I request approval to operate additional permanent tables, described in Section 2, at the gambling establishment described in Section 1.

I declare under penalty of perjury under the laws of the State of California that the foregoing information, and all information submitted with this application is true, correct, and complete.

Signature of Owner Licensee: _____

Print Name:

Date:

Designated Contact for this Application:

Telephone Number:

APPLICATION FOR ADDITIONAL AUTHORIZED PERMANENT TABLES

Retain a photocopy of the complete application packet for your permanent records.

Applications not fully and accurately completed (including all required supporting materials) will be returned to the sender for completion. If the application is returned at any point in the processing, the applicant will need to follow the directions included with it and resubmit it in a timely manner. If any or all information is not provided, the application may be delayed, returned for completion, or denied.

The applicant is responsible for providing the appropriate information needed to determine eligibility for additional authorized permanent tables. If a question is not applicable, indicate with "N/A." If additional space is needed, use a separate sheet of paper and precede each response with the applicable section and item. Attach the paper to the back of the application.

Items required for the application to be considered complete:

- Application for Additional Authorized Permanent Tables (CGCC-027)
- A non-refundable \$500 application fee
- A ~~Division~~[Bureau](#) review deposit, pursuant to California Code of Regulations, title 11, section 2037

SECTION 1: GAMBLING ESTABLISHMENT INFORMATION

Provide the legal name of the entity and any alternative names for the same business entity. You must notify the Commission of any name, address or telephone number changes. Your information is used to provide proper identification of your file, to contact you, and/or to determine your eligibility. Personal information contained in the [Application for Additional Authorized Permanent Tables CGCC-027](#) may be disclosed to the public in accordance with the Gambling Control Act (Business and Professions Code section 19821(b)).

SECTION 2: TABLE INFORMATION

Indicate the number of tables that the gambling establishment currently has and the number it is requesting. Also provide the total number of tables that the gambling establishment wishes to operate. Please note that all requests are subject to compliance with local ordinances and state gambling laws.

SECTION 3: DECLARATION

Sign and date the application under penalty of perjury. An application must be signed and dated to be considered complete. The designated contact person for this application must also be included, if applicable.

CHAPTER 7. CONDITIONS OF OPERATION FOR GAMBLING ESTABLISHMENTS.

ARTICLE 1. GENERAL PROVISIONS.

§ 12360. Chapter Definitions.

The definitions in Business and Professions Code section 19805 govern the construction of this chapter. As used in this chapter: ~~(a)~~ “Licensee” means “owner licensee” as defined in Business and Professions Code section 19805, subdivision ~~(y)~~ (ac).

Note: Authority cited: Section 19840, Business and Professions Code. Reference: Section 19805, Business and Professions Code.

ARTICLE 2. EMERGENCY PREPAREDNESS AND EVACUATION PLAN.

§ 12370. Emergency Preparedness and Evacuation Plan.

* * * *

(b) For the purpose of ensuring the physical safety of patrons, employees, and any other person while in the gambling establishment, each gambling establishment licensed for five or fewer tables shall promptly develop and implement a plan for the gambling establishment ~~which~~ that includes, but is not limited to, the following:

* * * *

(c) For the purpose of ensuring the physical safety of patrons, employees, and any other person while in the gambling establishment, each gambling establishment licensed for more than five tables shall promptly develop and implement a plan ~~which~~ that includes, but is not limited to, the following:

* * * *

(d) Each plan shall be consistent with state and local requirements. Beginning November 1, 2004, each licensee shall submit a copy of its current plan as part of its annual renewal application. Beginning January 1, 2005, as part of its annual renewal application, each licensee shall submit two copies of its current plan, and:

(1) If the responsible local authority provides reviews, the licensee shall send documentation of the areas reviewed by the responsible local authority and whether or not the responsible local authority approved those areas of the plan under the responsible local authority’s jurisdiction, pursuant to Health and Safety Code section 13143.5, subdivision (f). Health and Safety Code section 13143.5, subdivision (f)(2) provides that any fee charged pursuant to the enforcement authority of subdivision (f) shall not exceed the estimated reasonable cost of providing the

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service for which the fee is charged. The Commission may send one copy of the plan to the ~~Division~~ Bureau to review those areas of the plan not under the responsible local authority's jurisdiction.

(2) If the responsible local authority does not provide reviews, the licensee shall send the plan to the State Fire Marshall, and shall send the Commission documentation of whether or not the State Fire Marshall has approved the plan's fire and panic safety provisions. The Commission shall send one copy of the plan to the ~~Division~~ Bureau to review either paragraph (3) of subsection (b)(3) or paragraphs (1), (2)(E) and (3) of subsection (c) ~~subsections (e)(1), (e)(2)(E) and (e)(3)~~, depending on the number of tables for which the gambling establishment is licensed.

* * * *

(f) If the Commission determines that the licensee's plan does not address the elements set forth in this ~~regulation section~~, then the Commission may issue a determination identifying the deficiencies and specifying a time certain within which those deficiencies shall be cured.

* * * *

Note: Authority cited: Sections 19811, 19824, 19840, Business and Professions Code. Reference: Sections 19801, 19823, 19841, 19860, 19920, 19924, Business and Professions Code.

ARTICLE 4. ACCOUNTING AND FINANCIAL REPORTING.

§ 12400. Definitions.

* * * *

(b) As used in this chapter:

(1) "Authorized game" means a controlled game approved by the ~~Division~~ Bureau of Gambling Control.

* * * *

(10) "Licensee" means "owner licensee" as defined in Business and Professions Code section 19805 ~~(y)~~ (ac).

* * * *

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Sections 19805 and 19841, Business and Professions Code.

§ 12401. Accounting Records.

Each licensee shall:

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(a) Maintain accurate, complete, and legible records of all transactions pertaining to gross revenue as defined in Business and Professions Code ~~Section~~ 19805(pq). Records must be maintained in sufficient detail to support the amount of revenue reported to the Commission in renewal applications.

(b) Maintain accounting records identifying the following:

* * * *

(2) Records of all ~~player's~~ players' banks, ~~dealer's~~ dealers' banks, credit transactions, returned checks, and drop for each table (either by shift or other accounting period).

* * * *

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Section 19841, Business and Professions Code.

§ 12402. Chart of Accounts.

Each licensee shall:

(a) Maintain a uniform chart of accounts and accounting classifications in order to ensure consistency, comparability, and effective disclosure of financial information. The chart of accounts shall provide the classifications necessary to prepare a complete set of financial statements including but not limited to a statement of financial position, a statement of operations, a statement of changes in equity, a statement of cash flows, or other statements appropriate for the licensee. If the licensee elects to submit to the ~~Division~~ Bureau and the Commission copies of its federal income tax return as provided in Section 12403, the chart of accounts shall contain classifications necessary to prepare the licensee's federal income tax return.

(b) Within 90 days of the effective date of these regulations, submit the chart of accounts to the Commission for approval. The Commission shall submit a copy of the chart of accounts to the ~~Division~~ Bureau for review and comment. The ~~Division~~ Bureau shall provide the Commission with comments, if any, within 15 days of the submission to the ~~Division~~ Bureau. If the ~~Division~~ Bureau does not respond within 15 days, it shall be deemed that the ~~Division~~ Bureau does not object to the chart of accounts or have comments. The Commission shall then have 30 days to approve, reject, request additional information, or approve with modification(s) the chart of accounts and advise the licensee.

* * * *

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Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Section 19841, Business and Professions Code.

§ 12403. Financial Statements and Reporting Requirements.

(a) A licensee shall prepare financial statements covering all financial activities of the licensee's gambling operation for each fiscal year, in accordance with generally accepted accounting principles unless otherwise provided in this section. If the licensee (or a person or entity that has an interest, control, or common control with the licensee) owns or operates lodging, food, beverage, or any other non-gambling operation at the establishment, the financial statements must reflect the results of the gambling operation separately from those non-gambling operations.

* * * *

(2) A Group II licensee shall engage an independent accountant licensed by the California Board of Accountancy to review the licensee's annual financial statements in accordance with standards for accounting and review services or with currently applicable professional accounting standards. ~~The Division~~ Bureau or Commission may require the licensee, or the licensee may elect, to engage, an independent accountant licensed by the California Board of Accountancy to audit the annual financial statements in accordance with generally accepted auditing standards, if there are concerns about the licensee's operation or financial reporting, including but not limited to:

* * * *

(3) A Group III licensee with a gross revenue of \$500,000 or more per year shall prepare financial statements including at a minimum a statement of financial position, a statement of income or statement of operations, and disclosure in the form of notes to the financial statements. If the licensee is unable to produce the financial statements, it shall engage an independent accountant licensed by the California Board of Accountancy to perform a compilation of the licensee's annual financial statements in accordance with standards for accounting and review services or with currently applicable professional accounting standards, including full disclosure in the form of notes to the financial statements. ~~The Division~~ Bureau or Commission may require the licensee, or the licensee may elect, to engage an independent accountant licensed by the California Board of Accountancy to compile or review the licensee's financial statements in accordance with standards for accounting and review services, or to audit the financial

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statements in accordance with generally accepted auditing standards, if there are concerns about the licensee's operation or financial reporting, including but not limited to:

* * * *

(4)(A) A Group III licensee with a gross revenue of less than \$500,000 per year shall prepare financial statements that include, at a minimum, a statement of financial position and a statement of income or statement of operations. If the licensee is unable to produce the financial statements, it shall do one of the following:

* * * *

2. Submit to the ~~Division~~ Bureau and Commission no later than 120 calendar days following the end of the year covered by the federal income tax return, copies of the licensee's complete signed and duly filed federal income tax return for the tax year in lieu of the financial statements as otherwise required under this section.

(B) The ~~Division~~ Bureau or Commission may require the licensee, or the licensee may elect, to engage an independent accountant licensed by the California Board of Accountancy to compile or review the licensee's financial statements in accordance with standards for accounting and review services, or to audit the financial statements in accordance with generally accepted auditing standards, if there are concerns about the licensee's operation or financial reporting, including but not limited to:

* * * *

(b) Unless otherwise provided in this section, a licensee shall submit copies of the annual financial statements, with the independent auditor's or accountant's report issued to meet the requirements under this section, to the ~~Division~~ Bureau and Commission no later than 120 calendar days following the end of the fiscal year covered by the financial statements. If a management letter is issued, a copy of the management letter must also be submitted to the ~~Division~~ Bureau and Commission, including the licensee's reply to the management letter, if any.

(c) The ~~Division~~ Bureau or Commission may request additional information and documents from either the licensee or the licensee's independent accountant, regarding the annual financial statements or the services performed by the accountant.

(d) The ~~Division~~ Bureau or Commission may require the licensee to engage an independent accountant licensed by the California Board of Accountancy to perform a fraud audit in the event that fraud or illegal acts are suspected.

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Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Section 19841, Business and Professions Code.

§ 12404. Records and Reports of Monetary Instrument Transactions.

(a) A gambling establishment, as defined in section 19805~~(m)~~(n) of the Business and Professions Code, is required to file a report of each transaction involving currency in excess of \$10,000, in accordance with section 14162(b) of the Penal Code.

* * * *

(c) A gambling establishment, regardless of gross revenue, shall make and keep on file at the gambling establishment a report of each transaction in currency in excess of \$10,000. These reports shall be available for inspection at any time as requested by the ~~Division~~ Bureau or the Commission. These reports shall include, but not be limited to:

* * * *

(d) Nothing in this section shall be deemed to waive or to suspend the requirement that a gambling establishment make and keep a record and file a report of any transaction otherwise required by the ~~Division~~ Bureau or the Commission.

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Section 19841, Business and Professions Code.

§ 12405. Record Retention and Disclosure.

The licensee shall retain within California all ~~All~~ records required to be maintained by the ~~Gambling Control Act~~ or by these regulations ~~shall be retained by the licensee within California~~ for at least seven years after ~~such~~ the records are made. Upon request of the ~~Division~~ Bureau or Commission, a licensee shall provide the ~~Division~~ Bureau or Commission with copies of such records, within the time period specified in the request. If the records are maintained in electronic form and the licensee is requested to do so, the licensee shall provide a printed copy pursuant to this section.

Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference: Section 19841, Business and Professions Code.

ARTICLE 6. PROGRAM FOR RESPONSIBLE GAMBLING.

§ 12460. Article Definitions.

For purposes of this Article:

(a) “Self-Exclusion” means an irrevocable voluntary agreement to be excluded from

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gambling establishments and all games or gaming activities or privileges and to be prohibited from collecting any winnings or recovering any losses for a specified term. A Self-Exclusion list shall be maintained by the ~~Division~~ Bureau and shall not be open to public inspection.

* * * *

Note: Authority cited: Sections 19811, 19840, 19841(o), and 19920, Business and Professions Code. Reference: Section 19845, Business and Professions Code.

§ 12463. Self-Restriction Program.

(a) Licensees shall implement, by July 1, 2007, a program that allows patrons to self-limit their access to the gambling establishment entirely, or to the issuance of credit, check cashing, or marketing by that licensee. Such program shall contain, at a minimum, the following:

* * * *

(2) The development of written forms allowing patrons to participate in the program, which may include use of a form entitled “Self-Restriction Form,” CGCC-036 (~~New Rev. 09/06~~04/08), attached in Appendix A to this ~~Chapter~~;

(3) Policies and procedures for maintaining and updating a list of self-restricted persons, wherein the confidentiality of the list is protected pursuant to ~~regulation~~ Section 12466 and only agents or employees have access, unless needed by ~~Division~~ Bureau staff or law enforcement pursuant to an investigation or in assisting in a Problem Gambling program by an entity approved by the Commission;

(4) Policies and procedures that allow a patron to be excluded from certain games or gaming activities within the gambling establishment, if the gambling establishment determines that such segregation of games is feasible, or from the gambling establishment completely during the term of exclusion, with the exception of access for the sole purpose of carrying out the duties of employment, including:

* * * *

(B) Notification to the ~~Division~~ Bureau of any incidents of removals where the police and/or security are called to remove a person from the premises, and

* * * *

Note: Authority cited: Sections 19811, 19840, 19841(o), and 19920, Business and Professions Code. Reference: Sections 19801, 19920, and 19954, Business and Professions Code; and Section 4369.4, Welfare and Institutions Code.

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§ 12464. Self-Exclusion Program.

(a) Licensees shall implement, by July 1, 2007, a program that allows patrons to self-exclude themselves from gambling establishments using a form entitled “Self-Exclusion Form,” CGCC-037 (~~New Rev. 09/06~~04/08), attached in Appendix A to this ~~C~~chapter. Such program shall contain, at a minimum, the following:

(1) Policies and procedures for providing Self-Exclusion forms and for sending any completed Self-Exclusion forms to the ~~Division~~ Bureau;

(2) Policies and procedures for maintaining and updating a list of self-excluded persons, wherein the confidentiality of the list is protected pursuant to ~~regulation~~ Section 12466 and only agents or employees have access, unless needed by ~~Division~~ Bureau staff or law enforcement pursuant to an investigation or in assisting in a Problem Gambling program by an entity approved by the Commission;

(3) Policies and procedures designed to thwart self-excluded patrons, as noticed by the Commission or ~~Division~~ Bureau, from entering the gambling area during the term of exclusion, with the exception of access for the sole purpose of carrying out the duties of employment, including removal procedures for patrons who attempt entry after requesting to be excluded and notification to the ~~Division~~ Bureau of any incidents of removals, where the police and/or security are called to remove a person from the premises;

* * * *

Note: Authority cited: Sections 19811, 19840, 19841(o), and 19920, Business and Professions Code. Reference: Sections 19801, 19920, and 19954, Business and Professions Code; and Section 4369.4, Welfare and Institutions Code.

§ 12466. Responsible Gambling Program Review.

(a) The Executive Director or ~~Division~~ Bureau staff may require that any licensee make available for review or submit any of the elements of its program described in this ~~A~~article, to the Executive Director or ~~Division~~ Bureau staff for review. If the Commission makes an administrative determination that the licensee’s program does not adequately address the standards as set forth in this ~~A~~article, then the Executive Director may issue such a determination identifying the deficiencies and specifying a time certain within which those deficiencies shall be cured. Judicial review of the Executive Director's decision is subject to the limitation of Business and Professions Code ~~S~~section 19804.

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* * * *

(d) In addition to any other remedy under the ~~Gambling Control~~ Act, the Commission may assess a monetary penalty not exceeding \$1,000 for each violation of this Aarticle.

(e) This Aarticle does not create any right or cause of action on behalf of an individual who participates in self-restriction or self-exclusion under this Aarticle against the state of California, the California Gambling Control Commission, the ~~Division~~ Bureau of Gambling Control, the Office of Problem Gambling, or any gambling establishment.

Note: Authority cited: Sections 19811, 19840, 19841(o), and 19920, Business and Professions Code. Reference: Sections 19801 and 19920, Business and Professions Code; and Section 4369.4, Welfare and Institutions Code.



APPENDIX A

State of California Use Only
Date Received: _____
Data Input Date: _____
Date to CGCC: _____

SELF-RESTRICTION FORM

Type or print (in ink) all information requested on this form.
 If additional space is needed, please note response on a separate sheet of paper and attach to the form.

SECTION 1: PERSONAL INFORMATION

Full Legal Name:

First	Middle (if applicable)	Last
-------	------------------------	------

Other Names (Former Names (such as Maiden names), Nicknames, or Aliases / A.K.A.'s):

Home Address:

Street	City	State	Zip Code
--------	------	-------	----------

Mailing Address (if different than Home Address):

Street	City	State	Zip Code
--------	------	-------	----------

Home Telephone Number:

Business Number:

Games most often played:

SECTION 2: RESTRICTION FOR _____ (Name of Cardroom or participating gambling facility)

TOTAL EXCLUSION: Initial Appropriate Term: One Year _____ Five Years _____ Lifetime _____

Please delete me from any MARKETING or PROMOTIONAL information:

Please exclude me from this GAME or GAMING ACTIVITY _____

Please restrict me from any CHECK-CASHING privileges: Or Limit as follows: _____

Please restrict me from any CREDIT: Or Limit as follows: _____

SECTION 3: PHOTO AND VISUAL DESCRIPTION

Gender: Male Female Date of Birth: / / Race/Ethnicity:

Height: Weight: Hair Color/Type: Eye Color:

Date of Photograph: / / CA Drivers License:

Distinguishing marks (such as visible scars or tattoos – describe mark & location):

Type of vehicle normally driven: License Plate:

AFFIX A RECENT
 PASSPORT QUALITY
 PHOTOGRAPH
 HERE SHOWING
 HEAD AND SHOULDERS OF
 PERSON TO BE EXCLUDED

SECTION 4: DECLARATION

I understand English or have had an interpreter read and explain this form to me from _____
(Language)

I understand that the ultimate responsibility to limit my access to the Gambling Establishment or participating gambling facility or gaming services in the State of California remains mine alone.

I voluntarily seek to exclude or restrict myself as indicated in Section 2.

If I choose Total Exclusion:

(Initial) I agree that I will not attempt to enter and/or use any of the services or privileges of a California Gambling Establishment or participating gambling facility during the period checked in Section 2.

(Initial) I acknowledge and understand that should I attempt to enter a California Gambling Establishment or participating gambling facility or use the services of a Gambling Establishment or participating gambling facility during the Term of Exclusion, once identified, I shall be escorted from the Gambling Establishment or participating gambling facility and any winnings or prizes I may have accrued or losses recovered will be confiscated and remitted by the Gambling Establishment or participating gambling facility for deposit into the Gambling Addiction Program Fund for problem gambling prevention and treatment services through the Department of Alcohol and Drug Programs, Office of Problem and Pathological Gambling.

(Initial) This self-exclusion request is **irrevocable** during the time period checked in Section 2.

I understand that disclosure of certain information is necessary to effect my request for self-exclusion or restriction. Disclosure may also occur if needed for the conduct of an official investigation or if ordered by a court of competent jurisdiction.

I will not seek to hold the Gambling Establishment or participating gambling facility liable in any way should I enter a Gambling Establishment or participating gambling facility and/or use any of the services or privileges therein despite this exclusion/restriction request, and I agree to indemnify the State of California, the California Gambling Control Commission, the **DivisionBureau** of Gambling Control and the Office of Problem Gambling for any liability relating to this request. Specifically, I for myself, my heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the California Gambling Control Commission, the **DivisionBureau** of Gambling Control, the Office of Problem Gambling, the Gambling Establishment, participating gambling facility, their agents, employees, officers, and Directors and those with whom they may lawfully share information regarding this exclusion or restriction (collectively, the "Released Parties") from any and all claims in law or equity that I now have, or may have in the future, against all or any of all of the Released Parties arising out of, or by reason of, the performance or non-performance of this self-exclusion/restriction request, or any matter relating thereto. I further agree, in consideration for the Released Parties' efforts to implement my exclusion or restriction, to indemnify and hold harmless the Released Parties to fullest extent permitted by law for any and all liabilities, judgments, damages, and expenses of any kind, including reasonable attorneys' fees, resulting from or in connection with the performance or non-performance of the self-exclusion/restriction requested herein.

I declare that all information submitted on or with this self-restriction form is true, correct, and complete.

Signature: _____

Print Name:

Date:

SECTION 5: NOTARIZATION

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20_____,

By _____,
 personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public Seal:

Signature of Notary Public _____

My Commission expires on:

OR

WITNESS BY KEY EMPLOYEE

As a Key Employee of _____, I affirm that on _____ day of _____, 20_____,

I witnessed _____,
(individual's name)

complete this form and that this person is:

personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Signature of Key Employee _____



State of California Use Only	
Date Received:	_____
Data Input Date:	_____
Date to CGCC:	_____

Self-Exclusion Form

Type or print (in ink) all information requested on this form.
 If additional space is needed, please note response on a separate sheet of paper and attach to the form.
 You may hand this completed form in to any Cardroom or participating gambling facility, to the Division of Gambling Control, or the California Gambling Control Commission. Or you may mail this completed form to: **Division of Gambling Control, P.O. Box 168024, Sacramento, CA 95816. California Gambling Control Commission, 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-4231.**

SECTION 1: PERSONAL INFORMATION

Full Legal Name:

First	Middle (if applicable)	Last

Other Names (Former Names (such as Maiden names), Nicknames, or Aliases / A.K.A.'s):

Home Address:

Street	City	State	Zip Code

Mailing Address (if different than Home Address):

Street	City	State	Zip Code

Home Telephone Number:

()

Business Number:

()

Games most often played:

SECTION 2: TERM OF EXCLUSION

Please Initial Appropriate Term: One Year _____ Five Years _____ Lifetime _____

SECTION 3: PHOTO AND VISUAL DESCRIPTION

Gender: Male Female Date of Birth: / / Race/Ethnicity:

Height: Weight: Hair Color/Type: Eye Color:

Date of Photograph: / / CA Drivers License:

Distinguishing marks (such as visible scars or tattoos – describe mark & location):

AFFIX A RECENT
 PASSPORT QUALITY
 PHOTOGRAPH
 HERE SHOWING
 HEAD AND SHOULDERS OF
 PERSON TO BE EXCLUDED

Type of vehicle normally driven: License Plate:

SECTION 4: DECLARATION

I understand English or have had an interpreter read and explain this form to me from _____
(Language)

I voluntarily seek to exclude myself as described checked in Section 2.

(Initial) I agree that I will not attempt to enter and/or use any of the services or privileges of a California Gambling Establishment or participating gambling facility during the period checked in Section 2.

(Initial) I acknowledge and understand that should I attempt to enter a California Gambling Establishment or participating gambling facility or use the services of a Gambling Establishment or participating gambling facility during the Term of Exclusion, once identified, I shall be escorted from the Gambling Establishment or participating gambling facility and any winnings or prizes I may have accrued or losses recovered will be confiscated and remitted by the Gambling Establishment or participating gambling facility for deposit into the Gambling Addiction Program Fund for problem gambling prevention and treatment services through the Department of Alcohol and Drug Programs, Office of Problem and Pathological Gambling.

I understand that the ultimate responsibility to limit my access to the Gambling Establishment or participating gambling facility or gaming services in the State of California remains mine alone.

(Initial) This self-exclusion request is **irrevocable** during the time period checked in Section 2.

I understand that disclosure of certain information is necessary to effect my request for self-exclusion.

I understand that my information will be added to a statewide exclusion database. Disclosure may also occur if needed for the conduct of an official investigation or if ordered by a court of competent jurisdiction.

I will not seek to hold the Gambling Establishment or participating gambling facility liable in any way should I enter a Gambling Establishment or participating gambling facility and/or use any of the services or privileges therein despite this exclusion request, and I agree to indemnify the State of California, the California Gambling Control Commission, the **DivisionBureau** of Gambling Control, and the Office of Problem Gambling for any liability relating to this request. Specifically, I for myself, my heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the California Gambling Control Commission, the **DivisionBureau** of Gambling Control, the Office of Problem Gambling, the Gambling Establishment or participating gambling facility, their agents, employees, officers, and Directors and those with whom they may lawfully share information regarding this exclusion (collectively, the "Released Parties") from any and all claims in law or equity that I now have, or may have in the future, against all or any of all of the Released Parties arising out of, or by reason of, the performance or non-performance of this self-exclusion request, or any matter relating thereto. I further agree, in consideration for the Released Parties' efforts to implement my exclusion, to indemnify and hold harmless the Released Parties to fullest extent permitted by law for any and all liabilities, judgments, damages, and expenses of any kind, including reasonable attorneys' fees, resulting from or in connection with the performance or non-performance of the self-exclusion requested herein.

I declare that all information submitted on or with this self-exclusion form is true, correct, and complete.

Signature: _____

Print Name:

Date:

SECTION 5: NOTARIZATION

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20____,

By _____
 personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public Seal:

Signature of Notary Public _____

My Commission expires on:

OR

WITNESS BY KEY EMPLOYEE

As a Key Employee of _____, I affirm that on _____ day of _____, 20____,

I witnessed _____, (individual's name)

complete this form and that this person is:

personally known to me OR proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Signature of Key Employee _____

CHAPTER 10. DISCIPLINE, HEARINGS, AND DECISIONS.

§ 12550. Purpose and Scope.

(a) The purpose of this chapter is to set forth disciplinary procedures and guidelines applicable to the holder of any license, registration, permit, finding of suitability, or approval issued by the Commission. This chapter does not apply to any denial proceedings under the ~~Gambling Control~~ Act.

* * * *

(c) Nothing in this chapter is intended to limit the authority of the Commission to issue orders of summary suspension pursuant to Business and Professions Code section 19913, or to limit the authority of the ~~Division~~ Bureau to issue emergency orders pursuant to Business and Professions Code section 19931.

(d) Nothing in this chapter shall be construed to prevent the Commission from:

* * * *

(2) Instituting a civil action in any superior court to restrain a violation of the ~~Gambling Control~~ Act, pursuant to Business and Professions Code section 19824, subdivision (g);

* * * *

(4) Requesting the ~~Division of Gambling Control~~ Bureau to conduct an investigation pursuant to information gathered independently by the Commission or supplied to it by a third party.

(e) Nothing in this chapter precludes any person from notifying the Commission or the ~~Division~~ Bureau regarding any violations of law or reasons why the holder of any license, registration, permit, finding of suitability, or approval should be disciplined.

(f) Nothing in this chapter precludes the ~~Division~~ Bureau, in its discretion, from issuing warning notices, notices to cure, advisory letters regarding violations or possible violations of law, or from withdrawing such upon further investigation.

Note: Authority cited: Sections 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19823, 19912, 19913, 19914, 19920, 19922, 19930, 19931, and 19984, Business and Professions Code.

§ 12552. Settlements.

* * * *

(c) Any settlement of an accusation shall be submitted by the ~~Division~~ Bureau for approval by the Commission at a noticed Commission meeting. The Commission shall have final

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approval authority concerning any such settlement. If the Commission rejects a settlement or agreement, and no amended agreement or settlement is reached before two additional regularly noticed Commission meetings have concluded, or sixty days have elapsed, whichever is later, the ~~Division~~ Bureau shall proceed with the formal hearing process under this ~~Chapter~~.

Note: Authority cited: Sections 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19824, 19826, 19920, and 19930, Business and Professions Code.

§ 12554. Formal Hearing Process.

(a) Upon the filing with the Commission of an accusation by the ~~Division~~ Bureau recommending revocation, suspension, or other discipline of a holder of a license, registration, permit, finding of suitability, or approval, the Commission shall proceed under Chapter 5 (commencing with ~~Section~~ Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. Discipline shall be in accordance with the guidelines of this chapter, summarized for convenience only in CGCC-12554 (New 09-06), Summary Chart of Disciplinary Guidelines, attached as Appendix A to this chapter.

(b) In the event that the ~~Division~~ Bureau cannot present the accusation, the Commission may request outside counsel or representation by another state agency or may adequately segregate one or more Commission staff members from the Commissioners and Commission legal unit to present the accusation.

* * * *

(d) Upon a finding of a violation of the ~~Gambling Control Act~~, any regulations adopted pursuant thereto, any law related to gambling or gambling establishments, violation of a previously imposed disciplinary or license condition, or laws whose violation is materially related to suitability for a license, registration, permit, or approval, the Commission may do any one or more of the following:

* * * *

Note: Authority cited: Sections 19824, 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19879, 19930, and 19984, Business and Professions Code; Section 11045, Government Code; and Section 10335, Public Contract Code.

§ 12556. Factors in Mitigation or Aggravation of Penalty.

Factors in mitigation may reduce a minimum penalty of suspension listed in this chapter, either in number of days suspended and/or in the proposal to stay a suspension for a period of

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probation and the payment of any monetary penalty. Factors in aggravation may increase a penalty or be taken into consideration in determining whether or not to allow a suspension to be stayed upon payment of a monetary penalty. If presented by complainant or respondent, the Commission shall consider the following factors in mitigation or aggravation of the penalty imposed:

* * * *

(c) The extent to which respondent cooperated with the ~~Division~~ Bureau or Commission during the investigation of the violation.

(d) The extent to which respondent was honest with the ~~Division~~ Bureau or Commission during the investigation of the violation.

* * * *

Note: Authority cited: Sections 19825, 19840, and 19930, Business and Professions Code. Reference: Sections 19825, 19920, 19930, and 19984, Business and Professions Code.

§ 12558. Disciplinary Guidelines for Holders of Work Permits.

Pursuant to Business and Professions Code, section 19914, the holder of a work permit shall be subject to a minimum penalty of a three-day suspension, which may be stayed on terms and conditions and any monetary penalty as described in ~~s~~Section 12554(d)(7) of this chapter, up to a maximum penalty of revocation by the Commission if the Commission finds that the holder:

* * * *

(d) Violated or is in violation of any Commission or ~~Division~~ Bureau regulations, including those regulations regarding work permits in the California Code of Regulations, ~~¶~~Title 4, ~~d~~Division 18, ~~e~~Chapter 2 (commencing with ~~s~~Section 12100).

Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19824, 19878 19912, 19914, 19920, and 19930, Business and Professions Code.

§ 12560. Disciplinary Guidelines for Third-party providers of proposition player services licensees or registrants.

(a) If the Commission finds that an owner of a third-party provider of proposition player services, as that term is used in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12200, is out of compliance with any mandatory duty specified in or imposed by the ~~Gambling Control~~ Act or any Commission or ~~Division~~ Bureau regulation, which is not otherwise listed in these disciplinary guidelines, the penalty shall be one day of suspension of proposition player services

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from either specified gambling establishments or all gambling establishments, as the circumstances and factors in mitigation or aggravation apply and which may be stayed on terms and conditions and any monetary penalty as described in sSection 12554(d)(7) of this chapter.

(b) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services, as that term is used in California Code of Regulations, €Title 4, sSection 12200, shall be subject to a minimum discipline of suspension of five days from either specified gambling establishments or all gambling establishments, as the circumstances and factors in mitigation or aggravation apply, and a maximum discipline of revocation, which may be stayed on terms and conditions and any monetary penalty as described in sSection 12554 (d)(7) of this chapter, if the Commission finds that:

* * * *

(6) The owner has violated California Code of Regulations, €Title 4, regarding annual fees for third party providers of proposition player services,

(7) The owner has provided proposition player services in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (b)(9) or (b)(11),

(8) The owner has failed to fully disclose financial arrangements in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (b)(15),

(9) The primary owner has failed to report cheating, in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (b)(18),

(10) The owner has purchased, leased, or controlled equipment in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (b)(21),

(11) The owner has failed to have the proposition player contract approved, in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (b)(22), or sSection 12200.9,

(12) The owner has authorized or provided payment to or receipt by the gambling establishment, in violation of California Code of Regulations, €Title 4, sSection 12200.7, ~~subdivision~~ subsection (c),

* * * *

(16) The owner has conducted or negotiated illegal sales of controlled substances (as that term is used in Chapter 1 (commencing with Section 11000) of Division 10 of the Health and

Safety Code) or dangerous drugs (as that term is used in Business and Professions Code, section 4022),

* * * *

(18) The owner has committed money laundering (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code, commencing with ~~S~~section 186.9),

(19) The owner has granted rebates to patrons without full disclosure, in violation of California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200.7, ~~subdivision~~ subsection (c)(19),

(20) The owner has violated the provisions regarding playing books listed in California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200.13,

(21) The owner has committed any of the acts listed in California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200.18, ~~subdivisions~~ subsections (a), (b), (d), (e), (f), (i), (j), (l), (m), or (n), or

(22) The owner is providing services as a gambling business without first obtaining a gambling business registration or license, in violation of California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12220 et seq.

(c) A supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200, shall be subject to a minimum monetary penalty of \$100 and/or a suspension of three days and a maximum penalty of revocation if the Commission finds that:

* * * *

(9) The supervisor, player, or other employee has committed any of the acts listed in California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12220.18, ~~subdivision~~ subsection (a), or

(10) The supervisor, player, or other employee has failed to comply with California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200.21.

(d) A supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~€~~€Title 4, ~~s~~section 12200, shall be subject to a minimum monetary penalty of \$300 and/or a suspension of five days and a maximum penalty of revocation if the Commission finds that:

* * * *

(5) The supervisor, player, or other employee has conducted or negotiated illegal sales of controlled substances (as that term is used in Chapter 1 (commencing with ~~S~~section 11000) of

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Division 10 of the Health and Safety Code) or dangerous drugs (as that term is used in Business and Professions Code, section 4022),

* * * *

(7) The supervisor, player, or other employee has committed money laundering (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code, commencing with ~~S~~Section 186.9),

(8) The supervisor, player, or other employee has granted rebates to patrons without full disclosure, in violation of California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12200.7, ~~subdivision~~ subsection (19), or

(9) The supervisor, player, or other employee has committed any of the acts listed in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12200.18 ~~subdivision~~, subsections (b), (c), (d), (f), (g), (h), (i), (j), or (k).

(e) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services, or for a supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12200, shall be subject to revocation if the Commission finds that:

* * * *

(2) The owner, supervisor, player, or other employee no longer meets any criterion for eligibility, pursuant to California Code of Regulations, ~~¶~~Title 4, ~~s~~Sections 12204 or 12218.11.

Note: Authority cited: Sections 19825, 19840, 19841, 19930, and 19984, Business and Professions Code.

Reference: Sections 19824 and 19930, Business and Professions Code.

§ 12562. Disciplinary Guidelines for Gambling business licensees or registrants.

(a) If the Commission finds that an owner of a gambling business, as that term is used in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12220, is out of compliance with any mandatory duty specified in or imposed by the ~~Gambling Control Act~~ or any Commission or ~~Division~~ Bureau regulation, which is not otherwise listed in these disciplinary guidelines, the penalty shall be one day of suspension of gambling business services from either specified gambling establishments or all gambling establishments, as the circumstances and factors in mitigation or aggravation apply and which may be stayed on terms and conditions and any monetary penalty as described in ~~s~~Section 12554(d)(7) of this chapter.

(b) A license or registration granted by the Commission for an owner of a gambling business, as that term is used in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12220, shall be subject

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to a minimum monetary penalty of \$2500 and/or a discipline of suspension of five days from either specified gambling establishments or all gambling establishments, as the circumstances and factors in mitigation or aggravation apply, and a maximum discipline of revocation by the Commission if the Commission finds that:

* * * *

(6) The owner has violated California Code of Regulations, ~~€~~Title 4, regarding annual fees for gambling businesses,

* * * *

(10) The owner has conducted or negotiated illegal sales of controlled substances (as that term is used in Chapter 1 (commencing with Section 11000) of Division 10 of the Health and Safety Code) or dangerous drugs (as that term is used in Business and Professions Code, section 4022),

* * * *

(12) The owner has committed money laundering (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code, commencing with Section 186.9),

(13) The owner is providing services as a gambling business without first obtaining a gambling business registration or license, in violation of California Code of Regulations, ~~€~~Title 4, sSection 12220 et seq., or

(14) The owner has committed any of the acts listed in California Code of Regulations, ~~€~~Title 4, sSection 12220.18, ~~subdivisions~~ subsections (a), (b), (d), (e), (f), (l), or (m).

(c) A supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~€~~Title 4, sSection 12220, shall be subject to a minimum monetary penalty of \$100 and/or a suspension of three days and a maximum penalty of revocation if the Commission finds that:

* * * *

(9) The supervisor, player, or other employee has committed any of the acts listed in California Code of Regulations, ~~€~~Title 4, sSection 12220.18, ~~subdivision~~ subsection (a), or

(10) The supervisor, player, or other employee has failed to comply with California Code of Regulations, ~~€~~Title 4, sSection 12220.21.

(d) A supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~€~~Title 4, sSection 12220, shall be subject to a minimum penalty of a monetary

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penalty of \$300 and/or a suspension of five days and a maximum penalty of revocation if the Commission finds that:

* * * *

(5) The supervisor, player, or other employee has conducted or negotiated illegal sales of controlled substances (as that term is used in Chapter 1 (commencing with ~~S~~section 11000) of Division 10 of the Health and Safety Code) or dangerous drugs (as that term is used in Business and Professions Code, section 4022),

* * * *

(7) The supervisor, player, or other employee has committed money laundering (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code, commencing with ~~S~~section 186.9),

(8) The supervisor, player, or other employee has committed any of the acts listed in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12220.18-subdivisions subsections (c), (d), (f), (g), (h), (i), (j), or (k).

(e) A license or registration granted by the Commission for an owner of a gambling business, or for a supervisor, player, or other employee, as those terms are used in California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12220, shall be subject to revocation if the Commission finds that:

* * * *

(2) The owner, supervisor, player, or other employee no longer meets any criterion for eligibility, pursuant to California Code of Regulations, ~~¶~~Title 4, ~~s~~Sections 12224 or 12220.11.

Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19853(a)(3) and 19930, Business and Professions Code.

§ 12564. Disciplinary Guidelines for Manufacturers or Distributors.

A registration granted by the Commission for a manufacturer or distributor of gambling equipment shall be subject to suspension or revocation by the Commission if the Commission finds that the registrant has violated California Code of Regulations, ~~¶~~Title 4, ~~s~~Section 12303, ~~subdivision~~ subsection (b).

Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Section 19930, Business and Professions Code.

§ 12566. Disciplinary Guidelines for Gambling Establishments.

(a) If the Commission finds that a gambling establishment is out of compliance with any mandatory duty specified in or imposed by the ~~Gambling Control~~ Act or any Commission or

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~~Division~~ Bureau regulation, or any local ordinance which directly affects the public health, safety, or welfare, which is not otherwise listed in these disciplinary guidelines, pursuant to Business and Professions Code section 19922, the penalty shall be one day of suspension, stayed upon the payment of a penalty, within the guidelines of Business and Professions Code, sections 19930, subdivision (c), and 19943, subdivision (b), as follows:

* * * *

(b) A state gambling license for a gambling establishment granted by the Commission shall be subject to a minimum discipline of suspension for one day of normal business operation and a maximum discipline of suspension for 30 days of normal business operation, which may be stayed on terms and conditions and upon a monetary penalty of twenty-five percent of the average daily gross gaming revenue, not more than \$10,000, but not less than \$300, if the Commission finds that the establishment has violated any of the following but has not been disciplined by the Commission for such a violation previously:

* * * *

(10) Provided false or incomplete financial data, in violation of California Code of Regulations, ~~€~~Title 4, ~~e~~Chapter 7, ~~a~~Article 4 (commencing with ~~s~~Section 12400), regarding accounting and financial reporting,

(11) Refused to allow ~~Division~~ Bureau or Commission inspection of records or information required to be maintained pursuant to California Code of Regulations, ~~€~~Title 4, ~~e~~Chapter 7, ~~a~~Article 4 (commencing with ~~s~~Section 12400), regarding accounting and financial reporting,

(12) Violated California Code of Regulations, ~~€~~Title 11, ~~s~~Section 2050, subsection (a) (failure to maintain owner licensee or key employee on premises),

(13) Violated California Code of Regulations, ~~€~~Title 11, ~~s~~Section 2052 (failure to furnish information), or

(14) Violated California Code of Regulations, ~~€~~Title 11, ~~s~~Section 2070 (unsuitable gaming activities).

(c) A state gambling license for a gambling establishment granted by the Commission shall be subject to a minimum discipline of suspension for five days of normal business operation and a maximum discipline of revocation, which may be stayed on terms and conditions and any monetary penalty as described in ~~s~~Section 12554(d)(7) of this chapter, if the Commission finds that the establishment has:

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* * * *

(13) Provided false or intentionally incomplete financial data, in violation of California Code of Regulations, ~~¶~~Title 4, ~~€~~Chapter 7, ~~¶~~Article 4 (commencing with ~~§~~Section 12400), regarding accounting and financial reporting, and has been disciplined by the Commission for such a violation previously,

(14) Refused to allow ~~Division Bureau~~ or Commission inspection of records or information required to be maintained pursuant to California Code of Regulations, ~~¶~~Title 4, ~~€~~Chapter 7, ~~¶~~Article 4 (commencing with ~~§~~Section 12400), regarding accounting and financial reporting, and has been disciplined by the Commission for such a violation previously,

(15) Violated California Code of Regulations, ~~¶~~Title 11, ~~§~~Section 2050, subsection (a) (failure to maintain owner licensee or key employee on premises), and has been disciplined by the Commission for such a violation previously,

(16) Violated California Code of Regulations, ~~¶~~Title 11, ~~§~~Section 2052 (failure to furnish information), and has been disciplined by the Commission for such a violation previously, or

(17) Violated California Code of Regulations, ~~¶~~Title 11, ~~§~~Section 2070 (unsuitable gaming activities), and has been disciplined by the Commission for such a violation previously.

Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19823, 19824, 19850, 19851, 19853, 19854, 19855, 19875, 19878, 19883, 19901, 19912, 19920, 19921, 19922, 19923, 19924, 19930, 19941, 19942, and 19982, Business and Professions Code; and *Department of Alcoholic Beverage Control v. Alcoholic Beverage Control Appeals Board* (2004), 118 Cal. App. 4th 1429, 1444-1445.

§ 12568. Disciplinary Guidelines for Holders of Licenses, Findings of Suitability, or Approvals.

(a) A license for an individual or any finding of suitability or approval granted by the Commission, other than a work permit, and an owner license for a gambling establishment if the owner licensee has committed a separate violation from any violations committed by the gambling establishment shall be subject to a minimum discipline of suspension for one day of normal business operation and a maximum discipline of revocation, which may be stayed on terms and conditions and any monetary penalty as described in ~~§~~Section 12554(d)(7) of this chapter, if the Commission finds that the holder has:

* * * *

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(6) Engaged in any conduct on the premises of the gambling establishment or in connection with controlled gambling ~~which~~ that is inimical to the health, welfare, or safety of the general public.

(b) A license, finding of suitability, or approval granted by the Commission, other than a work permit, and an owner license for a gambling establishment if the owner licensee has committed a separate violation from any violations committed by the gambling establishment shall be subject to a minimum discipline of suspension for five days of normal scheduled work and a maximum discipline of revocation, which may be stayed on terms and conditions and any monetary penalty as described in ~~s~~Section 12554(d)(7) of this chapter, if the Commission finds that the holder has:

* * * *

(2) Intentionally provided untruthful responses during an investigation by the ~~Division~~ Bureau, pursuant to Business and Professions Code, section 19827,

(3) Willfully interfered with the performance of Commission or ~~Division~~ Bureau duties, pursuant to Business and Professions Code, section 19944,

* * * *

(7) Conducted or negotiated illegal sales of controlled substances (as that term is used in Chapter 1 (commencing with Section 11000) of Division 10 of the Health and Safety Code) or dangerous drugs (as that term is used in Business and Professions Code, section 4022),

(8) As an owner licensee, not taken reasonable steps to prevent the crimes listed in subsections (b), paragraphs (5) through and including ~~(b)(87)~~, from occurring at the gambling establishment, when the owner licensee knew or should have known that these crimes were being committed,

* * * *

(10) Committed money laundering (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code, commencing with Section 186.9),

* * * *

Note: Authority cited: Sections 19825, 19840, 19841, and 19930, Business and Professions Code. Reference: Sections 19823, 19824, 19827, 19857, 19858, 19859, 19860, 19863, 19878, 19880, 19922, 19923, 19924, 19930, 19942, and 19944, Business and Professions Code.

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CHAPTER 11. CONFLICT OF INTEREST CODE.

§ 12590. Conflict of Interest Code.

The Political Reform Act (Government Code ~~Sections~~ section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 California Code of Regulations Section 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code, and which may be amended by the FPPC, to conform to amendments in the Political Reform Act, after public notice and hearings. The terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the FPPC, along with the attached Appendix A, in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the California Gambling Control Commission ("Commission").

Designated employees shall file statements of economic interests with the FPPC filing officer in the Commission who will make the statements available for inspection and reproduction. With respect to the Commissioners, and the Executive Director of the Commission, the Commission shall make and retain a copy and forward the original of these statements to the FPPC.

Note: Authority cited: Section 87300, Government Code. Reference: Sections 87300 and 87302, Government Code.