

CALIFORNIA GAMBLING CONTROL COMMISSION

SPECIFIC LANGUAGE OF PROPOSED REGULATIONS

INTERIM REMOTE CALLER BINGO LICENSES, WORK PERMITS, AND RECOGNITION OF  
ORGANIZATIONS  
CGCC-GCA-2009-02-E

TITLE 4. BUSINESS REGULATIONS.

DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.

CHAPTER 8. BINGO.

ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.

**Section 12480. Definitions.**

(a) Except as otherwise provided in Section 12002 and subsection (b) of this regulation, the definitions in Business and Professions Code section 19805 and Penal Code section 326.3 and 326.5 (p)(3)(B), shall govern the construction of this chapter.

(b) As used in this chapter:

(1) "Administrative duties" include, but are not limited to, activities relating to planning, organizing, directing, controlling, and budgeting remote caller bingo games.

(2) "Authorized organization" means a charitable organization or association recognized by the Commission as meeting all of the requirements of paragraphs (1) through (5) of subdivision (b) of section 326.3 of the Penal Code.

(3) "Bingo equipment" includes, but is not limited to, any card-minding device; Point of Sale system for card-minding devices; all network and telecommunications equipment used to communicate from the calling station to card-minding devices; calling station and all related equipment; main flashboard and all related equipment, balls, verifier, and game pacer.

(4) "Bingo supplies" include, but are not limited to, any bingo paper or cards, daubers, and related supplies used in the playing of remote caller bingo games.

(5) "Caller" means an individual who is a member of an authorized organization present at a live remote caller bingo game site who announces the numbers or symbols from randomly drawn plastic balls.

(6) "Distributor" means any person that directly or indirectly does the following:

(A) Distributes; supplies; vends; leases; or otherwise provides supplies, services, or

equipment used in a remote caller bingo game.

(B) Distributes; supplies; vends; leases; or otherwise provides card-minding devices in this state, or for use in this state; including the supplying, repairing, and servicing if authorized by the manufacturer.

(C) Performs any of the functions listed in subparagraphs (A) or (B) in a location outside of this state, with respect to remote caller bingo equipment and supplies or card-minding devices intended for operation in this state.

(7) “Employee” means an individual who may be a volunteer or may be paid a reasonable fee for the performance of duties in any of the following categories on behalf of an authorized organization:

(A) Administrative;

(B) Financial;

(C) Managerial;

(D) Security; or

(E) Technical;

(8) “Fiduciary” means an individual who is designated in writing by an authorized organization to manage the finances of the organization’s remote caller bingo operation for the benefit of the organization rather than the benefit of the designated individual, exercising the highest level of good faith, loyalty, and diligence.

(9) “Financial duties” include, but are not limited to, cashiering, accounts payable and receivable, payroll processing, maintaining financial accounting books and records, and financial analysis.

(10) “Game pacer” means an electrical or electronic device that is set to a predetermined interval establishing the timing of bingo calls. The game pacer may be a separate device or may be incorporated into the bingo calling station.

(11) “Interim license” means a license issued by the Commission pursuant to this article that allows the following:

(A) A fiduciary, site manager, or caller of an authorized organization to conduct remote caller bingo games; or

(B) An owner of a manufacturing or distributing business to provide remote caller bingo equipment and supplies or card-minding devices in this state.

(12) “Interim work permit” means a card, certificate, or permit issued by the Commission pursuant to this article that authorizes the holder to participate in the operation of remote caller bingo games and be employed by an authorized organization conducting those games. The capacity of employment is limited to the following categories:

(A) Administrative;

(B) Financial;

(C) Managerial;

(D) Security; or

(E) Technical.

(13) “Managerial duties” include, but are not limited to, the oversight and supervision of remote caller bingo games.

(14) “Manufacturer” means any person that directly or indirectly does one or a combination of the following:

(A) Manufactures; distributes; supplies; vends; leases; or otherwise provides supplies, services, or equipment used in a remote caller bingo game.

(B) Manufactures; distributes; supplies; vends; leases; or otherwise provides card-minding devices in this state, or for use in this state; including the assembly, production, programming, modification, inspection, testing, refurbishing, repairing, supplying, servicing, or storing of card-minding devices, in this state or for use in this state.

(C) Performs any of the functions listed in subparagraphs (A) or (B) in a location outside of this state, with respect to remote caller bingo equipment and supplies or card-minding devices intended for operation in this state.

(15) “Member” means an individual who that belongs to an authorized organization conducting remote caller bingo games.

(16) “Owner” means an individual, corporation, limited liability company, partnership, trust, joint venture, association, or any other owner that has 10 percent or more interest in or has the power to exercise significant influence over a manufacturer or distributor business.

(17) “Owner licensee” means an individual, corporation, limited liability company, partnership, trust, joint venture, association, or any other owner of a manufacturing or distributing business that holds a manufacturer or distributor interim license issued by the Commission.

(18) “Point of sale system” means a financial interface software system used to track sales transactions and customer accounts.

(19) “Regular license” means a license issued by the Commission pursuant to the provisions of this article, section 326.3(p)(1) of the Penal Code, and any specific additional licensing criteria established by the Commission in regulation.

(20) “Regular work permit” means any card, certificate, or permit issued by the Commission pursuant to provisions of this article, section 326.3(p)(1), and any additional specific criteria established by the Commission in regulation authorizing the holder to participate in the operation of remote caller bingo games and be employed by an authorized organization conducting those games. The capacity of employment is limited to the following categories:

(A) Administrative;

(B) Financial;

(C) Managerial;

(D) Security; or

(E) Technical.

(21) “Security duties” include, but are not limited to, physically safeguarding the authorized organization’s patrons, staff, assets, and property, including the site’s surrounding area and parking facility.

(22) “Site manager” means an individual who is a member of an authorized organization who is present at any remote caller bingo game and is responsible for the game conduct, staff, and patrons present at the site.

(23) “Sponsor” means an authorized organization conducting remote caller bingo games, which has met the requirements of section 326.3(b)(1) of the Penal Code.

(24) “Technical duties” include, but are not limited to, providing expertise related to the maintenance, repair and operation of bingo equipment, including but not limited to, the application of scientific, engineering, or design principles related to the transmission and reception of remote caller bingo games.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

ARTICLE ~~12~~. BINGO EQUIPMENT, DEVICES AND SUPPLIES.**Section 124826. Approval of Card-Minding Devices.**

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ARTICLE 3. MANUFACTURERS AND DISTRIBUTORS OF BINGO EQUIPMENT, DEVICES AND SUPPLIES.**Section 12492. Interim Licenses; Initial and Renewal; Conditions.**

(a) An interim approval process is established to further the legislative intent of avoiding disruption of fundraising efforts by nonprofit organizations as expressed in Business and Professions Code section 19850.5.

(b) No person may manufacture or distribute remote caller bingo equipment, supplies or card-minding devices in this state unless they have a valid interim license issued by the Commission pursuant to this article.

(c) Any manufacturer or distributor providing remote caller bingo equipment, supplies, or card-minding devices in this state on the effective date of this chapter shall apply for an interim license, pursuant to this article, within 30 days of the effective date of this section.

(d) Any person applying for an initial interim license as the owner licensee of the manufacturer or distributor business shall submit the following:

(1) Application for Interim License for Bingo Equipment Manufacturers and Distributors, CGCC-610 (New 03/09), which is attached in Appendix B.

(2) A non-refundable application fee of \$500.00.

(3) If the applicant is an individual residing in the state of California, a completed Request for Live Scan Service, California Department of Justice Form BCII 8016, (Rev. 03/07) confirming that the applicant has submitted his or her fingerprints to the BCII for an automated criminal history check and response.

(4) If the applicant is an individual residing outside the state of California, two FBI Fingerprint cards.

(e) Any person applying for an initial interim license as an owner of a manufacturer or distributor business shall submit the following:

(1) Application for Interim License for Bingo Equipment Manufacturers and Distributors, CGCC-610 (New 03/09), referred to in paragraph (1) of subsection (d).

(2) A non-refundable application fee of \$500.00.

(3) If the applicant is an individual residing in the state of California, a completed Request for Live Scan Service, California Department of Justice Form BCII 8016, (Rev. 03/07) confirming that the applicant has submitted his or her fingerprints to the BCII for an automated criminal history check and response.

(4) If the applicant is an individual residing outside the state of California, two FBI Fingerprint cards.

(f) Interim license approvals pursuant to this article, are subject to the following conditions:

(1) An interim license shall be valid for one year from the date it is issued by the Commission and may be renewed if regulations specifying the criteria for a regular license have not been adopted.

(2) Upon adoption of regulations specifying the criteria for a regular license, the Commission will notify the holder of the interim license of the requirement to submit a regular application package within 30 days of the effective date of the regulations. If a response has not been received within 30 days, the interim license will not be eligible for renewal.

(3) An interim license does not obligate the Commission to issue a regular license nor does it create a vested right in the holder to either a renewal of the interim license or to the granting of a subsequent regular license.

(4) Issuance of an interim license has no bearing on the question of whether the holder will qualify for issuance of any Commission permit, registration, or license. The interim license will be cancelled in the event that the Commission subsequently determines the applicant does not qualify for a regular license.

(5) If, during the term of an interim license, it is determined that the holder is disqualified pursuant to Section 12494, the Executive Director shall prepare an order to show cause why that interim license should not be cancelled. The holder of the interim license shall be given at least 30 days, but not more than 90 days, to respond in writing. After receipt of the holder's response, or if the holder fails to respond in the time specified, the matter shall be set for consideration at a noticed Commission meeting. The holder may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing. Any evidentiary hearing

shall be conducted in accordance with applicable provisions of subsection (b) of Section 12050 of this division.

(g) Any person applying for a renewal interim license as the owner licensee of the manufacturer or distributor business shall submit the following no later than 90 days prior to the expiration of that license:

(1) Application for Interim License for Bingo Equipment Manufacturers and Distributors, CGCC-610 (New 03/09), referred to in paragraph (1) of subsection (d).

(2) A non-refundable application fee of \$500.00.

(h) Any person applying for a renewal interim license as an owner of the manufacturer or distributor business shall submit the following no later than 90 days prior to the expiration of that license:

(1) Application for Interim License for Bingo Equipment Manufacturers and Distributors, CGCC-610 (New 03/09), referred to in paragraph (1) of subsection (d).

(2) A non-refundable application fee of \$500.00.

(i) Each application for an initial or renewal interim license shall be reviewed and, if found to be complete and correct, shall be set for consideration at a noticed Commission meeting. If the application does not satisfy the requirements of this article, the applicant shall be provided a written list of the deficiencies.

(j) A renewal interim license shall be valid for up to one year from the date of approval of the renewal application or from the expiration of the prior interim license, whichever is later.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

#### **Section 12494. Interim License Denial; Applicant Disqualification.**

(a) An application for an interim license shall be denied by the Commission if either of the following applies:

(1) The applicant meets any of the criteria for mandatory disqualification in subdivisions (b) through (f) of section 19859 of the Business and Professions Code.

(2) The applicant, if an individual, is less than 18 years of age.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**Section 12496. Change of Business Location.**

(a) A manufacturer or distributor shall advise the Commission in writing of any new California business locations, or any terminations of existing business locations, within 15 days following the change.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**ARTICLE 4. REMOTE CALLER BINGO INTERIM LICENSES AND INTERIM WORK PERMITS.****Section 12498. Interim Licenses; Initial and Renewal; Conditions.**

(a) An interim approval process is established to further the legislative intent of avoiding disruption of fundraising efforts by nonprofit organizations as expressed in Business and Professions Code section 19850.5.

(b) No person may perform in the capacity of a fiduciary, site manager, or caller for the purposes of conducting remote caller bingo games unless that person has a valid interim license issued by the Commission pursuant to this article.

(c) Any fiduciary, site manager, or caller applying for an initial interim license shall submit the following:

(1) Application for Interim License for Remote Caller Bingo, CGCC-620 (New 03/09), which is attached in Appendix C.

(2) A non-refundable application fee of \$50.00.

(3) Completed Request for Live Scan Service, California Department of Justice Form BCII 8016, (Rev. 03/07) confirming that the applicant has submitted his or her fingerprints to the BCII for an automated criminal history check and response.

(d) Interim license approvals are subject to the following conditions:

(1) An interim license shall be valid for one year from the date it is issued by the Commission and may be renewed if regulations specifying the criteria for a regular license have not been adopted.

(2) Upon adoption of regulations specifying the criteria for a regular license, the Commission will notify the holder of the interim license of the requirement to submit a regular application package within 30 days of the effective date of the regulations. If a response has not been received within 30 days, the interim license will not be eligible for renewal.

(3) An interim license does not obligate the Commission to issue a regular license nor does it create a vested right in the holder to either a renewal of the interim license or to the granting of a subsequent regular license.

(4) Issuance of an interim license has no bearing on the question of whether the holder will qualify for issuance of any Commission permit, registration, or license. The interim license will be cancelled in the event that the Commission subsequently determines that the applicant does not qualify for a regular license.

(5) If, during the term of an interim license, it is determined that the holder is disqualified pursuant to Section 12499, the Executive Director shall prepare an order to show cause why that interim license should not be cancelled. The holder of the interim license shall be given at least 30 days, but not more than 90 days, to respond in writing. After receipt of the holder's response, or if the holder fails to respond in the time specified, the matter shall be set for consideration at a noticed Commission meeting. The holder may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing. Any evidentiary hearing shall be conducted in accordance with applicable provisions of subsection (b) of Section 12050 of this division.

(e) Any fiduciary, site manager, or caller applying for a renewal interim license shall submit the following no later than 90 days prior to expiration of that license:

(1) Application for Interim License for Remote Caller Bingo, CGCC-620 (New 03/09), referred to in paragraph (1) of subsection (c).

(2) A non-refundable application fee of \$50.00.

(f) Each application for an initial or renewal interim license shall be reviewed and, if found to be complete and correct, shall be set for consideration at a noticed Commission meeting. If the application does not satisfy the requirements of this article, the applicant shall be provided a written list of deficiencies.

(g) A renewal interim license shall be valid for up to one year from the date of approval of the renewal application or from the expiration of the prior interim license, whichever is later.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**Section 12499. Interim License Denial; Applicant Disqualification.**

(a) An application for an interim license shall be denied by the Commission if either of the following applies:

(1) The applicant meets any of the criteria for mandatory disqualification in subdivisions (b) through (f) of section 19859 of the Business and Professions Code.

(2) The applicant, if an individual, is less than 18 years of age.

Note: Authority cited: Sections 19840, 19850.5, 19850.6, and 19859, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**Section 12501. Interim Work Permits; Initial and Renewal; Conditions.**

(a) No person may act in the capacity of an employee for an authorized organization without a current interim work permit issued by the Commission pursuant to this article.

(b) Any employee applying for a remote caller bingo interim work permit shall submit the following:

(1) Application for Interim Work Permit for Remote Caller Bingo, CGCC-622 (New 03/09), which is attached in Appendix C.

(2) A non-refundable application fee of \$50.00.

(3) A completed Request for Live Scan Service, California Department of Justice Form BCII 8016 (Rev. 03/07) confirming that the applicant has submitted his or her fingerprints to the BCII for an automated criminal history check and response.

(c) An interim work permit is subject to the following conditions:

(1) An interim work permit shall be valid for one year from the date it is issued by the Commission and may be renewed if regulations specifying the criteria for a regular work permit have not been adopted.

(2) Upon adoption of regulations specifying the criteria for a regular work permit, the Commission will notify the holder of the interim work permit of the requirement to submit a regular application package within 30 days of the effective date of the regulations. If a response has not been received within 30 days, the interim work permit will not be eligible for renewal.

(3) An interim work permit does not obligate the Commission to issue a regular work permit nor does it create a vested right in the holder to either a renewal of the interim work permit or the granting of a subsequent regular work permit.

(4) Issuance of an interim work permit has no bearing on the question of whether the holder will qualify for issuance of any Commission permit, registration, or license. The interim work permit will be cancelled in the event that the Commission subsequently determines that the applicant does not qualify for issuance for any Commission permit, registration, or license.

(5) If, during the term of an interim work permit, it is determined that the holder is disqualified pursuant to Section 12502, the Executive Director shall prepare an order to show cause why that interim work permit should not be cancelled. The holder of the interim work permit shall be given at least 30 days, but not more than 90 days, to respond in writing. After receipt of the holder's response, or if the holder fails to respond in the time specified, the matter shall be set for consideration at a noticed Commission meeting. The holder may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing. Any evidentiary hearing shall be conducted in accordance with applicable provisions of subsection (b) of Section 12050 of this division.

(d) Any employee applying for renewal of a remote caller bingo interim work permit shall submit to the Commission the following no later than 90 days prior to expiration of the work permit:

(1) Application for Interim Work Permit for Remote Caller Bingo, CGCC-622 (New 03/09) referred to in paragraph (1) of subsection (b).

(2) A non-refundable application fee of \$50.00.

(e) Each application for an initial or renewal interim work permit shall be reviewed and, if found to be complete and correct, shall be set for consideration at a noticed Commission meeting. If the application does not satisfy the requirements of this article, the applicant shall be provided a written list of the deficiencies.

(f) A renewal interim work permit shall be valid for up to one year from the date of approval of the renewal application or from the expiration of the prior interim work permit, whichever is later.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**Section 12502. Interim Work Permit Denial; Applicant Disqualification.**

(a) An application for an interim work permit shall be denied by the Commission if either of the following applies:

(1) The applicant meets any of the criteria for mandatory disqualification in subdivisions (b) through (f) of section 19859 of the Business and Professions Code.

(2) The applicant, if an individual, is less than 18 years of age.

Note: Authority cited: Sections 19840, 19850.5, 19850.6, and 19859, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.

**Section 12504. Recognition of Organizations Conducting Remote Caller Bingo Games.**

(a) No organization may conduct remote caller bingo games in this state unless it has been recognized by the Commission pursuant to this article.

(b) Any organization requesting recognition by the Commission shall:

(1) Meet the requirements specified in section 326.3(b)(1-5) of the Penal Code.

(2) Submit a Statement of Eligibility to Conduct Remote Caller Bingo, CGCC-618 (New 03/09), which is attached in Appendix C to this Chapter.

(3) Submit a non-refundable processing fee of \$50.00.

(c) Any organization recognized by the Commission shall annually submit the following within 120 calendar days after the close of the organization's fiscal year:

(1) Statement of Eligibility to Conduct Remote Caller Bingo, CGCC-618 (New 03/09), referred to in paragraph (2) of subsection (b), specifying any changes in the information included in the organization's last statement of eligibility filed with the Commission.

(2) A non-refundable processing fee of \$25.00.

(d) Each statement received pursuant to this section shall be reviewed and, if found to be complete and correct, shall be set for consideration at a noticed Commission meeting. If the statement does not satisfy the requirements of this article, the applicant shall be provided a written list of the deficiencies. The Commission reserves the right to refuse recognition to any organization that does not meet the requirements specified in Section 12504.

Note: Authority cited: Sections 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code. Reference: 19840, 19850.5, and 19850.6, Business and Professions Code; Sections 326.3, 326.4, and 326.5, Penal Code.