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CALIFORNIA CODE OF REGULATIONS

TITLE 4. BUSINESS REGULATIONS.

DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.

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:

(a) "BCII" means the Bureau of Criminal Identification and Information in the California Department of Justice.

(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.

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

(d) "Commission" means the California Gambling Control Commission.

(e) "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.

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

(g) "Executive Director" means the executive officer of the Commission, as provided in Business and Professions Code section 19816 or his or her designee. If the Executive Director position is vacant, the "Executive Director" means the officer or employee who shall be so designated by the Commission.

1 (h) "Gambling Control Act" or "Act" means Chapter 5 (commencing with section 19800) of
2 Division 8 of the Business and Professions Code.

3 (i) "Registrant" means a person having a valid registration issued by the Commission.

4 (j) "Surrender" means to voluntarily give up all legal rights and interests in a license, permit,
5 registration, or approval.

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

9
10 CHAPTER 6. STATE GAMBLING LICENSES AND APPROVALS FOR GAMBLING ESTABLISHMENTS,
11 OWNERS, AND KEY EMPLOYEES.

12
13 ARTICLE 2. LICENSING.

14
15 12345. Processing Times – Renewal Applications.

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

19 (1) An application for renewal of a gambling license or key employee license shall be filed by
20 the owner licensee or the key employee with the Commission no later than 120 days prior to the
21 expiration of the current license.

22 (2) The maximum time within which the Commission shall notify the applicant in writing that
23 an application or a resubmitted application is complete and accepted for initial processing by the
24 Commission, or that an application or a resubmitted application is deficient and identifying what
25 specific additional information is required, is 10 days after receipt of the application. For the
26 purposes of this section, "application" means the Application for State Gambling License,
27 CGCC-030 (Rev. 05/08) and the Application for Gambling Establishment Key Employee
28 License, CGCC-031 (Rev. 05/08), referenced in Section 12342. An application is not complete
29 unless accompanied by the fee specified in subsection (a) of Section 12008 for a gambling
30 license or subsection (b) of Section 12008 for a key employee license.

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

1 (4) The Bureau shall submit its written recommendation concerning the renewal application to
2 the Commission no later than 45 days prior to the expiration of the current license, unless that
3 application is filed with the Commission less than the 120 days prior to the expiration of the
4 current license.

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

7 (1) The applicant has agreed to extension of the time.

8 (2) The number of licenses to be processed exceeds by 15 percent the number processed in the
9 same calendar quarter the preceding year.

10 (3) The Commission must rely on another public or private entity for all or part of the
11 processing and the delay is caused by that other entity.

12 (c) An application for license renewal that was not submitted at least 120 days in advance of
13 the expiration of the existing license shall be subject to the same timeframes as specified in
14 paragraphs (2) through (4) of subsection (a). However, if, due to the late submittal of the
15 renewal application, the Bureau and the Commission cannot complete their review and approval
16 of the application prior to the expiration of the existing license, the gambling enterprise shall
17 cease all gambling operations on the expiration date of the license. Gambling operations shall
18 not resume until the renewal application is approved by the Commission.

19 (d) If a licensee has not submitted a complete renewal application, including all required fees
20 and deposits, within 10 days after the expiration date of the current license, the license shall be
21 deemed abandoned. An abandoned license shall be subject to the provisions of subsection (b) of
22 Section 12348.

23
24 Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference:
25 Sections 19868 and 19876, Business and Professions Code.
26

27 § 12348. State Gambling License; Surrender; Abandonment

28 (a) An owner-licensee may propose to surrender a state gambling license at any time prior to
29 expiration. In order to propose the surrender of a license, the owner-licensee must submit a
30 written request to the Commission. A proposed surrender shall be agendaized for consideration at
31 the next available Commission meeting. Each proposed surrender shall be considered on its
32 merits by the Commission. A proposed surrender is not effective unless and until the surrender

1 is accepted by the Commission. A proposed surrender may be rejected if the Commission
2 determines that acceptance would not be in the public interest, for example, if the owner licensee
3 is currently under investigation or if disciplinary action has been initiated.

4 (b) A state gambling license that has been surrendered or abandoned after the effective date
5 of this section is subject to the following:

6 (1) The license cannot be reactivated, reinstated, reissued, or renewed.

7 (2) The gambling enterprise associated with that license is no longer eligible to conduct any
8 gambling operation under that license.

9 (3) The license holder may not sell the business.

10 (4) Business and Professions Code section 19963 precludes that cardroom from being
11 reopened in that jurisdiction in or any other jurisdiction. For example, if the local gambling
12 ordinance of City A allows one cardroom to operate, and the state license to operate that
13 cardroom is abandoned, no cardroom shall be eligible to operate in City A so long as Business
14 and Professions Code section 19963 remains in effect.

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16 § 12349. State Gambling Licenses: Prior Surrender or Abandonment

17 (a) A state gambling license that, prior to the effective date of this section, was surrendered
18 or expired without being renewed shall be eligible for reinstatement in accordance with the
19 following guidelines:

20 (1) The applicant to reinstate the license must be the last licensed owner of a gambling
21 establishment that had a licensed owner as of December 31, 1999, or whose owner had an
22 application on file prior to September 1, 2000.

23 (2) The applicant shall notify the Commission within 30 days of the effective date of this
24 section of the intent to apply for reinstatement of the license;

25 (3) The applicant shall submit all applicable forms for an initial application required
26 pursuant to Section 12342, all fees and deposits required for an initial application required by
27 Section 12341 and Title 11, California Code of Regulations, Section 2037, and all documentation
28 required by subsection (b) within 12 months of the effective date of this section.

29 (b) The following documentation shall be required of any applicant applying to reinstate a
30 state gambling license under this section:

1 (1) A copy of the last license issued by the state authorizing the applicant to operate the
2 gambling establishment, which may include either a provisional license or a state gambling
3 license;

4 (2) A written document detailing the circumstances of the surrender, abandonment, or
5 expiration without renewal of the prior license;

6 (3) A copy of the current applicable local gambling ordinance;

7 (4) An opinion from the chief legal officer of the local jurisdiction, dated no earlier than the
8 effective date of this section, certifying that the reopening of the gambling establishment is
9 authorized by and consistent with the local gambling ordinance;

10 (5) A copy of a formal resolution or other evidence satisfactory to the Commission, adopted
11 by the applicable city council, board of supervisors, or other local governing authority, dated no
12 earlier than the effective date of this section, which clearly states a willingness to issue a local
13 license to the applicant, contingent upon issuance of a state license;

14 (6) A statement signed by the chief law enforcement officer of the local jurisdiction, dated no
15 earlier than the effective date of this section, confirming that he or she supports the reopening of
16 the gambling establishment;

17 (7) An economic feasibility study that demonstrates to the satisfaction of the Commission
18 that the proposed gambling establishment will be economically viable, and that the owners have
19 sufficient resources to make the gambling establishment successful and to fully comply with all
20 requirements of the local ordinance, the Act, applicable state regulations, and all local, state, and
21 federal tax laws.

22 (c) In making the determination to grant or deny a request to reactivate a license pursuant to
23 this section, the Commission shall consider, but is not limited to considering, the following:

24 (1) Generally, whether issuance of the license is inimical to public health, safety, or welfare,
25 and whether issuance of the license will undermine public trust that the gambling operations with
26 respect to which the license would be issued are free from criminal and dishonest elements and
27 would be conducted honestly.

28 (2) The circumstances under which the previous license was surrendered, abandoned, or
29 allowed to expire without being renewed.

30 (3) The potential impact a reopened gambling establishment may have on the incidence of
31 problem gambling.

1 (4) The potential impact on the local economy, including revenues to the local jurisdiction
2 and the number of jobs that may be created.

3 (5) The economic impact on cardrooms located in neighboring jurisdictions.

4 (d) The gambling establishment to be reopened must be located in the same local jurisdiction
5 in which it was previously licensed.

6 (e) No temporary licenses shall be issued to any applicant under this section.

7 (f) A gambling license meeting the qualifications of subsection (a) shall be considered
8 abandoned if the time limits imposed by paragraphs (2), (3), and (4) of subsection (a) are not
9 met. An abandoned license shall be subject to the provisions of subsection (b) of Section 12348.

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11 Note: Authority cited: Sections 19800, 19811, 19824, 19840, 19841 and 19963, Business and Professions Code.
12 Reference: Sections 19811, 19823, 19824, 19851, 19856, 19860, 19862, 19864, 19865, 19873, 19876, 19960 and
13 19963, Business and Professions Code.